From: (b)(4); (b)(6)
Sent: 24 May 2017 19:54:02 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: EdfinancialFSAChangeReq;(b)(4); (b)(6)
Subject: 2785 and 3835_ES - Pre Implementation Artifacts
Attachments: 2785 and 3835_ES.zip

La Teata,

Attached are HESC/Edfinancial's pre-implementation validation artifacts. Our standard artifact password has been used; please let us know if you need us to send it.

If you have any questions prior to the walkthrough next week, do not hesitate to reach out.

Thank you!

(b)(4); (b)(6)
Compliance Department
Edfinancial Services
(b)(6)

This e-mail may contain CONFIDENTIAL information and is intended only for the use of the specific individual(s) to whom it is addressed. If you are not an intended recipient of this e-mail, you are hereby notified that any unauthorized use, dissemination or copying of this e-mail or the information contained in it or attached to it is strictly prohibited. If you have received this e-mail in error, please delete it and immediately notify the person named above by telephone. Thank you.

From: (b)(4); (b)(6)
Sent: 30 Jan 2017 16:45:38 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 1 OF 1
Attachments: 2785 CS 1 of 1.zip

Good Morning,

Attached is CornerStone's revised training materials for FSA CR 2785 the document have been encrypted with the standard password.

Please let us know if you have any questions.

(b)(4); (b)(6)

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 30 Jan 2017 16:29:27 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 1 OF 5
Attachments: 2785 CS 1 of 5.zip

Good Morning,

Attached is CornerStone's revised Artifacts for FSA CR 2785 (1 of 5) The documents have been encrypted with the standard password. Additionally, we have provided a crosswalk to help you identify the scenarios. Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 21 Jan 2017 21:45:00 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 1 OF 8
Attachments: 2785 CS 1 of 8.zip

Good Afternoon ,

Attached is CornerStone's Artifacts for FSA CR 2785. (1 of 8) The documents have been encrypted with the standard password. Additionally, we have provided a crosswalk to help you identify the scenarios. Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 30 Jan 2017 16:29:45 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 2 OF 5
Attachments: 2785 CS 2 of 5.zip

Good Morning ,

Attached is CornerStone's Artifacts for FSA CR 2785 (2 of 5) The documents have been encrypted with the standard password.

Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 30 Jan 2017 16:29:58 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 3 OF 5
Attachments: 2785 CS 3 of 5.zip

Good Morning ,

Attached is CornerStone's Artifacts for FSA CR 2785 (3 of 5) The documents have been encrypted with the standard password.

Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 21 Jan 2017 21:46:29 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 3 OF 8
Attachments: 2785 CS 3 of 8.zip

Good Afternoon ,

Attached is CornerStone's Artifacts for FSA CR 2785. (3 of 8) The documents have been encrypted with the standard password.

Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 21 Jan 2017 21:47:09 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 4 OF 8
Attachments: 2785 CS 4 of 8.zip

Good Afternoon ,

Attached is CornerStone's Artifacts for FSA CR 2785. (4 of 8) The documents have been encrypted with the standard password.

Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 30 Jan 2017 16:30:24 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 5 OF 5
Attachments: 2785 CS 5 of 5.zip

Good Morning,

Attached is CornerStone's Artifacts for FSA CR 2785 (5 of 5) The documents have been encrypted with the standard password.

Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 21 Jan 2017 21:47:52 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 5 OF 8
Attachments: 2785 CS 5 of 8.zip

Good Afternoon ,

Attached is CornerStone's Artifacts for FSA CR 2785. (5 of 8) The documents have been encrypted with the standard password.

Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 21 Jan 2017 21:48:26 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 6 OF 8
Attachments: 2785 CS 6 of 8.zip

Good Afternoon ,

Attached is CornerStone's Artifacts for FSA CR 2785. (6 of 8) The documents have been encrypted with the standard password.

Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 21 Jan 2017 21:49:08 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 7 OF 8
Attachments: 2785 CS 7 of 8.zip

Good Afternoon ,

Attached is CornerStone's Artifacts for FSA CR 2785. (7 of 8) The documents have been encrypted with the standard password.

Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 21 Jan 2017 21:49:50 +0000
To: (b)(4); (b)(6) CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: 2785 CS 8 OF 8
Attachments: 2785 CS 8 of 8.zip

Good Afternoon ,

Attached is CornerStone's Artifacts for FSA CR 2785. (8 of 8) The documents have been encrypted with the standard password.

Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 3 Feb 2017 23:05:22 +0000
To: CM_Validation
Cc: Samuels, Shaun;Buendia, Mario;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Grp.FC-CR
Subject: 2785 MO 1 of 1 - Artifacts
Attachments: 2785 MO 1 of 1 - 2.3.2017.zip

Good Afternoon,

Attached is the WinZip file containing MOHELA's revised validation artifact for scenario #13 and #14 for CR 2785. The provided password has been used to encrypt this file.

Please let me know if you have any questions or need additional information.

Thanks,

(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Compliance Analyst | MOHELA
633 Spirit Drive | Chesterfield MO 63005
(b)(6)
(b)(6) fax | @mohela.com

* * * *

From: (b)(4); (b)(6)
Sent: 17 Jan 2017 00:19:15 +0000
To: CM_Validation
Cc: Samuels, Shaun;Buendia, Mario;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Grp.FC-CR
Subject: 2785 MO 1 of 4 - Artifacts
Attachments: 2785 MO 1 of 4.zip

Good Evening,

Attached is the WinZip file containing MOHELA's validation artifacts for CR 2785. The provided password has been used to encrypt this file.

We apologize for not being able to deliver the artifacts by the 5:00 pm ET deadline as we were still in the process of finalizing three validation artifact scenarios.

Please let me know if you have any questions or need additional information.

Thanks,

(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Compliance Analyst | MOHELA
633 Spirit Drive | Chesterfield MO 63005
(b)(6)
(b)(6) fax | @mohela.com

* *
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* *

From: (b)(4); (b)(6)
Sent: 17 Jan 2017 00:21:07 +0000
To: CM_Validation
Cc: Samuels, Shaun;Buendia, Mario;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Grp.FC-CR
Subject: 2785 MO 2 of 4 - Artifacts
Attachments: 2785 MO 2 of 4.zip

Good Evening,

Attached is the WinZip file containing MOHELA's validation artifacts for CR 2785. The provided password has been used to encrypt this file.

Please let me know if you have any questions or need additional information.

Thanks,

(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Compliance Analyst | MOHELA
633 Spirit Drive | Chesterfield MO 63005
(b)(6)
(b)(6) fax | (b)(6)@mohela.com

* *
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* *

From: (b)(4); (b)(6)
Sent: 17 Jan 2017 00:22:25 +0000
To: CM_Validation
Cc: Samuels, Shaun;Buendia, Mario;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Grp.FC-CR
Subject: 2785 MO 3 of 4 - Artifacts
Attachments: 2785 MO 3 of 4.zip

Good Evening,

Attached is the WinZip file containing MOHELA's validation artifacts for CR 2785. The provided password has been used to encrypt this file.

Please let me know if you have any questions or need additional information.

Thanks,

(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Compliance Analyst | MOHELA
633 Spirit Drive | Chesterfield MO 63005
(b)(6)
(b)(6) fax | (b)(6) @mohela.com

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* *

From: (b)(4); (b)(6)
Sent: 17 Jan 2017 00:23:14 +0000
To: CM_Validation
Cc: Samuels, Shaun;Buendia, Mario;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Grp.FC-CR
Subject: 2785 MO 4 of 4 - Artifacts
Attachments: 2785 MO 4 of 4.zip

Good Evening,

Attached is the WinZip file containing MOHELA's validation artifacts for CR 2785. The provided password has been used to encrypt this file.

Please let me know if you have any questions or need additional information.

Thanks,

(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Compliance Analyst | MOHELA
633 Spirit Drive | Chesterfield MO 63005
(b)(6)
(b)(6) fax | (b)(6)@mohela.com

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* *

From: (b)(4); (b)(6)
Sent: 14 Jul 2017 13:47:13 +0000
To: CM_Validation
Cc: (b)(4); (b)(6);Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina;Washington, Patrice
Subject: 2785 NN 1 of 1
Attachments: 2785 Compliance Statement - Nelnet.pdf

Hello,

Attached is Nelnet's compliance statement for CR2785.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6)@Nelnet.net
nelnet.com

nelnet
EDUCATION LOAN SERVICING

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

Compliance Statement

Change Request 2785– Requirement Clarification for CR 1492

Nelnet is in compliance as of July 12, 2017 for the revised requirements as outlined below in CR2785

Requirements:

- **Revised 5065.00 - TO: The servicer shall capitalize all outstanding, unpaid interest (excluding Neg Am* and non-capping) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

- 5065.01 - Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

- 5070 - Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance
- 5071 - Interest accrued while loan is in a non-capping forbearance shall never capitalize
- 5072 - Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment
    - 5072.01 - When payments are applied to interest amounts they shall be pay down interest amounts in the following order:
        1. Neg Am

2. Regular Interest
3. Non-Capping

- 5072.02 - Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

Firm: Nelnet Servicing, LLC

Signature:

(b)(6)

Name: (b)(4); (b)(6)

Title: Director, Government Services

Date of execution: July 12, 2017

From: (b)(4); (b)(6)
Sent: 5 Jun 2017 17:00:35 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: 2785_3835 NN 1 of 1
Attachments: Walkthrough.zip

Good Afternoon,

Attached are Nelnet's follow up items from the walkthrough and revised validation artifacts for CR's 2785 and 3835.

Revisions to the validation artifacts:

Scenario 1

- No changes

Scenario 2

- (b)(5)
-

Scenario 3

- (b)(5)
-
-

Scenario 4

- No changes

Scenario 5

- (b)(5)
-
-
-

Scenario 6

- (b)(5)
-

Scenario 7

- No changes

Scenario 8

- No changes

Scenario 9

- (b)(5)

Scenario 10

- (b)(5)

Scenario 11

- (b)(5)

Scenario 12

- No changes

Scenario 13

- No changes

Scenario 14

- (b)(5)

Scenario 15

- No changes

The password will follow.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6)@Nelnet.net
nelnet.com

From: Jackson, Lateata
Sent: 15 Sep 2011 12:48:22 -0500
To: 'Seeley, Doug';Battle, Cynthia
Cc: Foss, Ian;(b)(4); (b)(6);Onley, Nora;Whittington, Rochelle;Miller, Debbie;Connelly, Tammy;Washington, Patrice;Baldridge, Paula
Subject: ACES Assessment Discussion- CR 1492

All,

Based on the conference call we just had with ACES regarding their assessment for CR 1492 - Requirements Clarifications for Interest Capitalization Practices, the following was agreed upon:

- Doug Seeley will take some of the issues raised about the differences between what DLSS/ACES is or should be doing related to capitalization practices back to his team for discussion/resolution.
- Since the assessments from Nelnet and ACES are identical, Doug will reach out to Nelnet regarding their assessment as well.
- If FSA does not hear back that both ACES and Nelnet will be submitting revised assessment by September 21, FSA will formally reject both the ACES and the Nelnet assessments.

<< File: CR 1492 ACES 20110906.docx >>

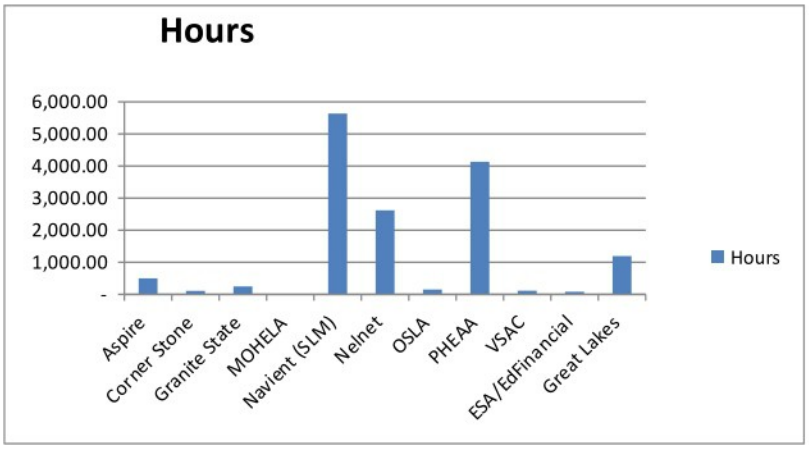
From: Jackson, Lateata
Sent: 13 Mar 2015 09:15:04 -0500
To: Connelly, Tammy;Meadows, Kim;Smith, Lynn;Gibson, Karen;Battle, Cynthia;Ratchford, Sabrina;Bubel, Susan;Lamphier, Katharine;Jones, Amber K.;Leavitt, Katharine;Washington, Patrice;Porter, Larry;Foss, Ian;Brown, Lenny
Subject: Assessment Review - CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015
Attachments: Assessment Review worksheet for 2785.xlsx

The attached spreadsheet is the handout for our meeting this afternoon.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

#	Servicer	Hours	Proposed Implementation Date
1	Aspire	500.50	5/31/2016
2	Corner Stone	109.75	5/31/2016
3	Granite State	249.00	7/31/2015
4	MOHELA	-	5/31/2016
5	Navient (SLM)	5,635.00	5/31/2016
6	Nelnet	2,621.00	7/31/2015
7	OSLA	150.00	7/31/2015
8	PHEAA	4,134.00	5/31/2016
9	VSAC	115.00	7/31/2015
10	ESA/EdFinancial	84.00	7/31/2015
11	Great Lakes	1,196.00	9/30/2015
	TOTAL	**14,794.25**	

* When I add the number included I only get 1,136???



Requirement ID	Requirement	Modifications	1482 requirement	Navient	ROM	Nelnet	ROM	PHEAA	ROM	Great Lakes	ROM [1]	
5023	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**	**(Aug 2011** CR 1482) Initial Requirement	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**					PHEAA calls Sonar out as NON Billable (216 hours)				
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.	**(Feb 2015** CR 2785) Clarified processing date of July 31 and an effective date of June 30	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with an effective date of July 31.	• Navient will make changes to the effective capitalization date to be 7/1 instead of 6/30 to ensure that the interest accrued through 6/30 is captured. • Clarify our letter language to ensure the descriptions around Neg Am interest is through the 6/30 date	660	• Modify the system to: o No longer set the effective date of a delayed Neg Am cap to be one day after the deferment or forbearance end date; instead always backdate the Neg Am cap effective 6/30/nn. o Reduce the potential Neg Am cap amount with payments made between July 1 and the Neg Am cap processing date, instead of only payment made during the month July. (Change is needed based on guidance given in the Job Aid, Example #2 and is not tied to a specific requirement) o Consider Neg Am interest on regular interest once a loan enters PPH.	308					
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	**(Aug 2011** CR 1482) Initial Requirement	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.			Modify the system to recalculate the 10% Neg Am cap limit and potentially adjust existing Neg Am caps when disbursement amounts are adjusted. **** 5023.02 Neg Am caps limits are tracked separately for the PAYE repayment plan. If the assumption is not correct it will cause a change to the solution and ROM.	96			Great Lakes will modify its 10% Negative cap limit to only take into effect when the loan is in a Neg Am repayment plan and not for the lifetime of the loan. Great Lakes will modify its 10% Negative capping limit to be combined for ICR and ALT repayment plans instead of allowing for separate 10% limits.	336	
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	**(Feb 2015** CR 2785) Clarified the effective date of the Neg Am cap should be June 30.	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance. Modify the capping event to occur retroactively to after a partials status. Modify the capping event to only cap the Neg Am interest accrual remaining after any subsequent payments made after 6/30. Adjust payment process, application and interest accrual post 6/30 recap event.	Navient has submitted additional questions and clarification points surrounding this requirement. Based on the current guidance of payment application, we are unable to provide a complete assessment of the impact to our system and processes. The impacts we currently know are: Modify the capping event to occur retroactively to after a partials status. Modify the capping event to only cap the Neg Am interest accrual remaining after any subsequent payments made after 6/30. Adjust payment process, application and interest accrual post 6/30 recap event.	1,270* Includes 480 contingency hours			System will be modified to delay capping when the application date is covered not when the effective date is covered		Great Lakes will update its system processing to delay the Negative cap processing until the end of the deferment / forbearance in cases where the borrower is in a deferment / forbearance on 7/31 but not on the cap effective date of 6/30. Great Lakes will update its system processing to apply the Negative cap with an effective date of 6/30 even if a deferment / forbearance covers the 6/30 date and the cap is not processed until the end of this deferment / forbearance.	336	
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	**(Aug 2011** CR 1482) Initial Requirement	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.									
Revised 5865.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**	**(Feb 2015** CR 2785) Clarified the cap should include capable interest prior to the entitlement. At the end of the capping event. Also clarified Neg Am interest should not be included in this cap.	**The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.**			o Modify functionality to cap all outstanding interest – excluding Neg Am and Non-capping – at end of deferment or forbearance. o Modify interest accruals to track at what point in time gap interest accrued between back to back periods as it can be included in the proper capping event **- 5865.00 interest accruing during 'gap' between back to back periods will always cap at the next capping event. If the assumption is not correct it will cause a change to the solution and ROM.	1,208	The system will be modified to categorize interest and exclude non-capping from capping events.	400			
5865.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	**(Aug 2011** CR 1482) Initial Requirement	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.									
5865.02	Interest that accrued prior to the loan entering a period of deferment or forbearance that remains unpaid when the borrower exits the period of deferment or forbearance and capitalization is otherwise permitted, the capitalization amount may include interest that accrued prior to the loan entering the period of deferment or forbearance.	**(Aug 2011** CR 1482) Initial Requirement	Interest that accrued prior to the loan entering a period of deferment or forbearance that remains unpaid when the borrower exits the period of deferment or forbearance and capitalization is otherwise permitted, the capitalization amount may include interest that accrued prior to the loan entering the period of deferment or forbearance.									
5866	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	**(Aug 2011** CR 1482) Initial Requirement	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**			- 5866.00 interest accruing during a Neg Am period remains categorized as Neg Am. If a borrower enters another repayment plan (including periods of PFH) this assumption is not correct it will cause a change to the solution and ROM.		Will be fully compliant with March 2015 release		Great Lakes will update its system processing to delay the Negative cap processing until the borrower leaves PFH in cases where the borrower is in PFH on 7/31 but not on the cap effective date of 6/30. Great Lakes will update its system processing to apply the Negative cap with an effective date of 6/30 even if the borrower is in PFH on 6/30 and the cap is not processed until this borrower leaves PFH.	130	
5866.01	This requirement overrides any other capitalization requirement.	**(Aug 2011** CR 1482) Initial Requirement	This requirement overrides any other capitalization requirement.									
5866.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan or no longer has a PFH except as provided in requirement 5866.04.	**(Aug 2011** CR 1482) Initial Requirement	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan or no longer has a PFH except as provided in requirement 5866.04.					Will be fully compliant with March 2015 release				
5866.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	**(Aug 2011** CR 1482) Initial Requirement	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.					Will be fully compliant with March 2015 release				
5866.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	**(Aug 2011** CR 1482) Initial Requirement	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.					Will be fully compliant with March 2015 release				
5867	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	**(Aug 2011** CR 1482) Initial Requirement	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**			Nelnet is already compliant with a manual solution. Nelnet will modify for an automated solution to recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.	256					
5868	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**	**(Aug 2011** CR 1482) Initial Requirement	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**									
5868.01	When refinancing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.	**(Aug 2011** CR 1482) Initial Requirement	When refinancing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.						800			
5868.02	When refinancing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).	**(Aug 2011** CR 1482) Initial Requirement	When refinancing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).					The system will be modified to ensure non-capping forbearance are properly identified				
5868.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.	**(Aug 2011** CR 1482) Initial Requirement	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.									
5868.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.	**(Aug 2011** CR 1482) Initial Requirement	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.									
5868.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.	**(Aug 2011** CR 1482) Initial Requirement	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.									
5868.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.	**(Aug 2011** CR 1482) Initial Requirement	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.									
5868.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	**(Aug 2011** CR 1482) Initial Requirement	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.									
5868.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	**(Aug 2011** CR 1482) Initial Requirement	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.									
5868.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.	**(Aug 2011** CR 1482) Initial Requirement	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.									
5869	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**	**(Aug 2011** CR 1482) Initial Requirement	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**	- Changes are required to make sure CAP is reapplied when statuses are denied into activity.	80				90	Great Lakes will update its deferment / forbearance processing to not allow interest capitalization when a period of repayment occurs between deferment or forbearance periods but no payment is due.	260	
5869.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	**(Aug 2011** CR 1482) Initial Requirement	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.					System will be modified to support Requirement				
5869.01	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	**(Aug 2011** CR 1482) Initial Requirement	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. This administrative forbearance is a capping forbearance.	1. New non-capping NAI A status a. Add to profile b. Calculate total available Fork time using new status c. Modify programs to prevent interest cap d. Modify screen processing and displays and edits	1,180			The system will be modified to categorize the interest as non-capping				
5870	**Interest accrued while loss is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	**(Feb 2015** CR 2785) New Requirement				o Nelnet will modify the system to isolate non-capping interest	496	The system will be modified to categorize the interest as non-capping	800	Great Lakes will modify its system to capitalize interest unpaid prior to the non-capping forbearance begin date to capitalize at the end of the non capping forbearance.	0	
5871	**Interest accrued while loss is in a non-capping forbearance shall never capitalize**	**(Feb 2015** CR 2785) New Requirement		Modify the accrual of interest to segregate non-capping interest from Neg Am and Reg Accrued interest. Specifically, changes are required to the following processes: 1. Interest accrual routine a. Interest capping logic 4. Screen changes to display the new non capping interest bucket 5. Billion impacts due to introduction of a new interest bucket. b. New trial codes to adjust the non-capping interest bucket (manual adjustment to be used only for corrections). 7. Logic to re-disclose after non-capping forbearance. a. Assume a self-disclosure will be required to ensure that a loan does not become under-billed based on outstanding accrued interest.	1,280			The system will be modified to categorize the interest as non-capping		Great Lakes will make system changes so that when capitalizing interest at the end of a non-capping forbearance, any interest that accrued during a repayment gap of less than 30 days with no payment due after the gap and before the start of a deferment or capping forbearance and prior to this non-capping forbearance begin date will be excluded. Great Lakes will modify the set-up for the non-capping administrative forbearance used for loans that are less than 60 days delinquent at the time of a servicer transfer to never ever capitalize	192	
5872	**Interest accrued while loss is in a non-capping forbearance shall be the last interest category to be satisfied with a payment.**	**(Feb 2015** CR 2785) New Requirement		Modify payment application processes to consider non-capping accrued interest separately from Neg Am and Regular Accrued interest.	120	o Nelnet will modify the system to always satisfy interest in the order prescribed by requirement 5872.01	104	The system will be modified to categorize the interest as non-capping	1,374			
5872.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order:	**(Feb 2015** CR 2785) New Requirement						The system modifications will be made to payment allocation to ensure the interest satisfaction occurs in correct order				
5872.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balance.	**(Feb 2015** CR 2785) New Requirement		Testing Hours	1,360	operation hours	176	The system modifications will be made to payment allocation to ensure the interest satisfaction occurs in correct order		Artifacts	80	
					5,695		2,431		4,134		1,136	Not the same as total on sheet off by 68????

From: Battle, Cynthia
Sent: 6 Aug 2014 11:33:25 -0500
To: Foss, Ian
Subject: CAP 1.1.3 and 1.1.4 (Capitalization)
Attachments: DecisionPaper_Capitalization_Nelnet-07242014.docx

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From: Battle, Cynthia
Sent: Thursday, July 24, 2014 7:57 PM
To: Kim, Bora
Cc: Strudgeon, George; Stewart, Tracey; O'Flaherty, Sue; Oldre, Lisa
Subject: CAP 1.1.3 and 1.1.4

Bora,
Please find attached the Decision Paper (outlined in CAP 1.1.3) which includes the recommendation to resolve the finding (CAP 1.1.4). This recommendation, if accepted, should close both CAP items. Please let me know if you have questions or need to discuss further.

Thanks.

From: Kim, Bora
Sent: Wednesday, June 25, 2014 2:56 PM
To: Battle, Cynthia
Cc: Strudgeon, George; Stewart, Tracey
Subject: RE: Request for Updates: BusOps Issue log: Due 4:00pm Thursday

Cindy,

As the due date is approaching for CAP 1.1.3, I will need the closure evidence (white paper) no later than **Tuesday, July 1st**. If the closure evidence is not going be ready for submission by July 1st, then please let us know and provide me an estimated completion date. (*Finance requests FMB to submit the closure evidence 2 weeks prior to the due date to allow them time to review and follow-up, if necessary.*)

Thank you,
Bora

From: Stewart, Tracey
Sent: Wednesday, June 25, 2014 12:15 PM
To: Battle, Cynthia; Leifeste, Denise; Vigna, Dwight
Cc: Strudgeon, George; Kim, Bora
Subject: Request for Updates: BusOps Issue log: Due 4:00pm Thursday

Cindy, please provide updates for 1.1.3 and 1.1.4.

Denise, please provide the CR number & the status of the CR for the SLM A issue.

Dwight, I know you didn't discuss with Bill's managers last week but Anthony said he'd try to get it on the Agenda for tomorrow's meeting. Please let me know if that happens.

ICOFR Item#	Type	Find #	Rec	Action Item	Action Item	Due Date	Next Milestone and Status
6	CAP FY13	1	1	3	For the non-defaulted servicing system functionality issue, Direct Loan Division will conduct a detailed analysis of the issue to further determine magnitude and impact to system and customer. By the end of June 2014, the results of this analysis will be documented in a white paper explaining the issue of the failure of the servicing system to capitalize interest fully, quantifying the magnitude of the issue, and justifying the decision to correct or not correct the servicing system functionality. The white paper will be provided as evidence for closure.	7/15/2014	Cindy Battle 06/4/14 /status: We are preparing the discussion document (have gathered additional data details from NN). The next steps are to convene a small group of key staff (NLT June 20th) to analyze the data, then formulate a recommendation. **Next update expected 6/25/14.**
7	CAP FY13	1	1	4	Based on the results of the analysis in Action Item # 3, if the decision is to correct the servicing system functionality, a project plan for correcting the issue will be provided by September 1, 2014. If the analysis supports the decision not to correct the servicing system functionality, a form justifying FSA	9/1/2014	Cindy Battle 06/4/14 /status: We are preparing the discussion document (have gathered additional data details from NN). The next steps are to convene a small group of key staff (NLT June 20th) to analyze the data, then formulate a recommendation. **Next update expected 6/25/14.**

					accepting the risk of not correcting the issue will be completed and provided by September 1, 2014.		
21	Evolving issues	Denise Leifeste	SLM	A	Issue/Problem: ACS Misaligned Interest Rate—Consolidation Loans converted from ACS that have been identified as having mismatched interest rates on the underlying subsidized and unsubsidized portions of the DL consolidation loan. Preliminary research of BHARs indicated that the mismatched interest rates were provided by ACS during the conversion process and arose as a result of ACS receiving rate adjustments from LC but only making the adjustments on either the subsidized or on the unsubsidized portions of the loans – not on both (as would be required). The rates need to be corrected so that interest on both the sub and unsubsidized portions of the loans accrue at the correct rates.	Periodic Update	6/16/14 Status Per SLMA: Remediation activities were performed in April and May 2014 with both problems remediated more or less on April 15th with some subsequent clean-up. It is important to note that The LC/SLM issue was completely remediated while the ACS transfer loans were only remediated back to the date that came onto our system. SLM and FSA need to discuss the further remediation options that are needed for the time period ACS serviced the miss-aligned accounts. Since discovery of the 2 separate problems in October 2013, borrowers who called/complained or who's account was otherwise being researched has miss-aligned interest rates corrected. The 4/15/2014 clean-up remediation simply contained all remaining loans 5/28/14 Status: CR has been submitted to CM and we are awaiting review and approval for it to go out for a level of effort evaluation by all servicers. Next update: TBD Sallie Mae -- Impacted Population: 5,006 loan accounts / 2,503 impacted borrowers Progress Report: FSA is in process of reviewing data and documentation

							provided by Sallie Mae to determine the validity of issue. Sallie Mae will provide a walk-though to FSA week of April 28th.
11	CAP FY13	1	5	1	FSA will review and republish protocols for management approval for write-offs. Approved write off protocols will be provided by the end of March 2014.	7/31/2014	6/13/14 Status: Dwight is planning to review the documents with Bill's Managers next week and distribute within a week or two after. 5/30/14 Status: Draft documents sent to Dwight from FMB. 5/14/14 Status: A smaller group was formed to discuss 1.5.1. The outcome was to create 1) a discretionary compromise authorities to DRG & PCAs and 2) a discretionary compromise or write-off authorities to ED staff. These documents will be approved and distributed to applicable parties. The documents and evidence of distribution will be closure evidence for this CAP.

Thank you!
Tracey Stewart
OFSA, Internal Controls Division
Financial Management Branch
(202)377-3186

Federal Student Aid
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Decision Paper
Audit Response Document

July 15, 2014

Internal Document – Not for Release

Tracking Information	
Prepared By:	Cynthia Battle
Contact Information:	(202) 377-3261
Date:	July 15, 2014
Version Control:	V 1.0
Audit Reference:	ICOFR FY13 1.1.3 and 1.1.4 Servicer Impacted: Nelnet

Action Items
ACTION ITEM (1.1.3) For the non-defaulted servicing system functionality issue, Direct Loan Division will conduct a detailed analysis of the issue to further determine magnitude and impact to system and customer. By the end of June 2014, the results of this analysis will be documented in a white paper explaining the issue of the failure of the servicing system to capitalize interest fully, quantifying the magnitude of the issue, and justifying the decision to correct or not correct the servicing system functionality.
Estimated Completion Date: 7/15/14
ACTION ITEM (1.1.4) Based on the results of the analysis (1.1.3), if the decision is to correct the servicing system functionality, a project plan for correcting the issue will be provided by September 1, 2014. If the analysis supports the decision not to correct the servicing system functionality, a form justifying FSA accepting the risk of not correcting the issue will be completed and provided by September 1, 2014.
Estimated Completion Date: 9/1/14

Findings
Per the findings of an FSA audit, loans on the NELNET system platform (including the ACES and NFP's loans that reside on the Nelnet platform) did not fully comply with FSA requirements of Change Request 1492 (as summarized below). At the time of a capping event caused by the end-date of a deferment or forbearance, only that interest which accrued during the deferment or forbearance period was capitalized. Any unpaid interest that accrued prior to the deferment or forbearance period remains uncapped. The interpretation of the 1492 requirements created a second exclusion (call it "unpaid other" interest) from capitalizing at the end of an eligible deferment or forbearance period. [Exhibit B] **Timeline**: June 2012 – Present **Documented Impact:** Borrowers – 1,605,182 Loans – 5,171,001 Dollars - $1,770,822,060

Background (Change Control 1492)

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

Prior to the standardization change, which ensures consistency in interest capitalization for Direct Loans and federally-held Federal Family Education Loans (ED – held loan portfolio) serviced by our federal loan servicers, the servicers were compliant with the rules and requirements for capitalization. The capitalization regulations provide a certain amount of discretion on the frequency of capitalization (for example, the Secretary *may* capitalize at point "x").

Therefore, the Department exercised its discretion in a manner that reduced the frequency of interest capitalization for borrowers who enter contiguous periods of deferment or forbearance and certain other circumstances.

Summary of Capitalization Rules:

Interest capitalization occurs when the interest that has accrued is added to the principal balance of the loan, and interest is then calculated on the new principal balance.

Our servicers have updated their systems to consistently capitalize interest at the following events:

- ❑ At the end of the grace period
- ❑ At the end of a deferment or forbearance period, or consecutive periods of deferment or forbearance (specifically, this covers the scenario if a borrower enters a period of back-to-back deferment or forbearance. The servicer would only capitalize once – at the end of the final status change).
- ❑ For ICR:
  - During periods of negative amortization, annually
  - Negative amortization interest capitalizes only until principal balance is 10% greater than original principal from when borrower entered repayment
  - Otherwise, normal capitalization rules apply
- ❑ For IBR:
  - No longer qualifies for payments based on income (no longer has a partial financial hardship) or
  - Leaves IBR entirely
- ❑ For Pay As You Earn:
  - No longer qualifies for payments based on income (no longer has a partial financial hardship) or
  - Leaves Pay As You Earn entirely
  - Interest capitalizes only until principal balance is 10% greater than original principal amount when borrower entered plan

Root Cause
During the implementation of CR1492, Nelnet interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance. *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

Exhibit A: Capitalization - consecutive periods of deferment or forbearance

As part of CR1492 - FSA no longer permitted a servicer to capitalize between consecutive periods of deferment or forbearance (back-to-back). The rule required our servicers to capitalize interest at the end of consecutive periods of deferment or forbearance.

The following illustration covers the scenario if a borrower enters a period of back-to-back deferment or forbearance; the servicer would only capitalize once – at the end of the final status change.

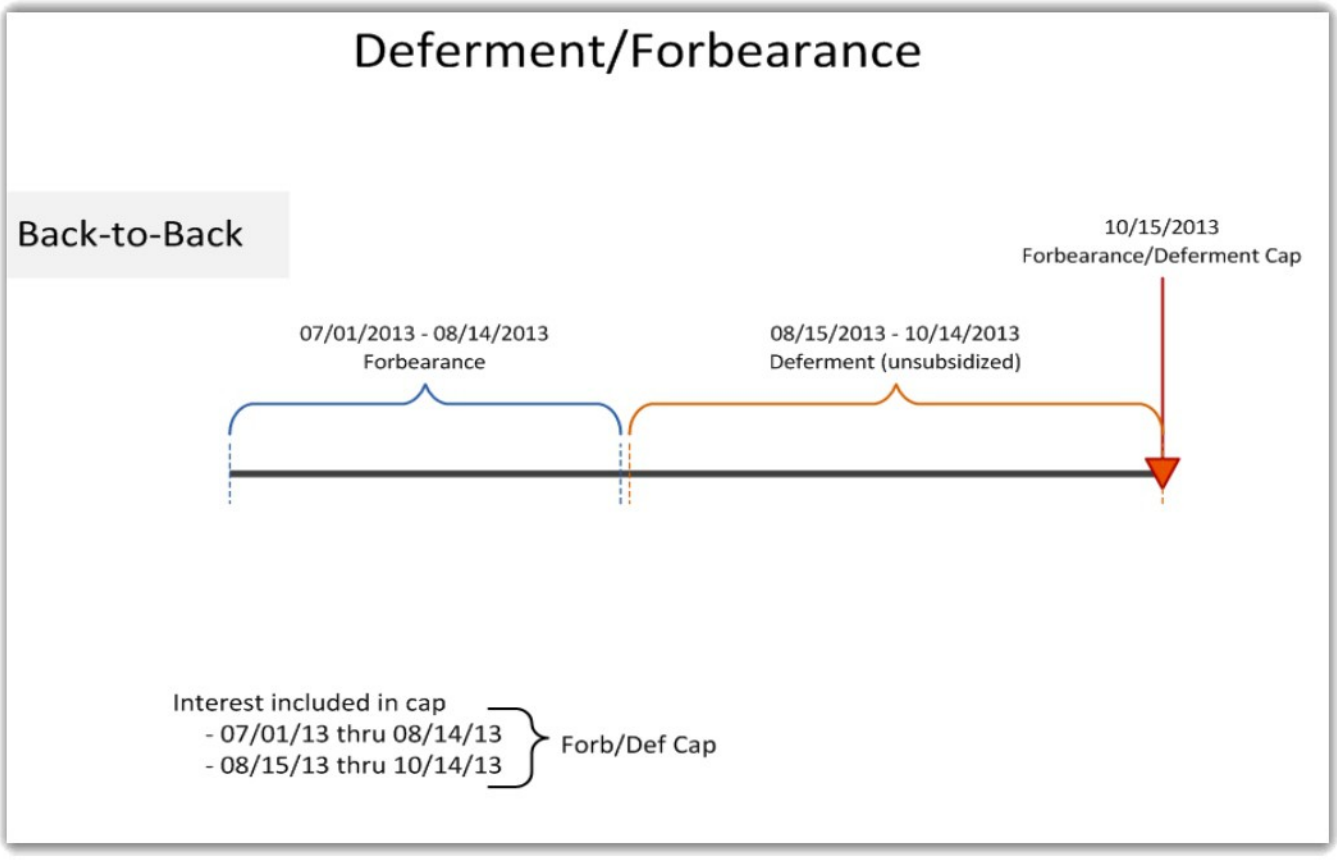
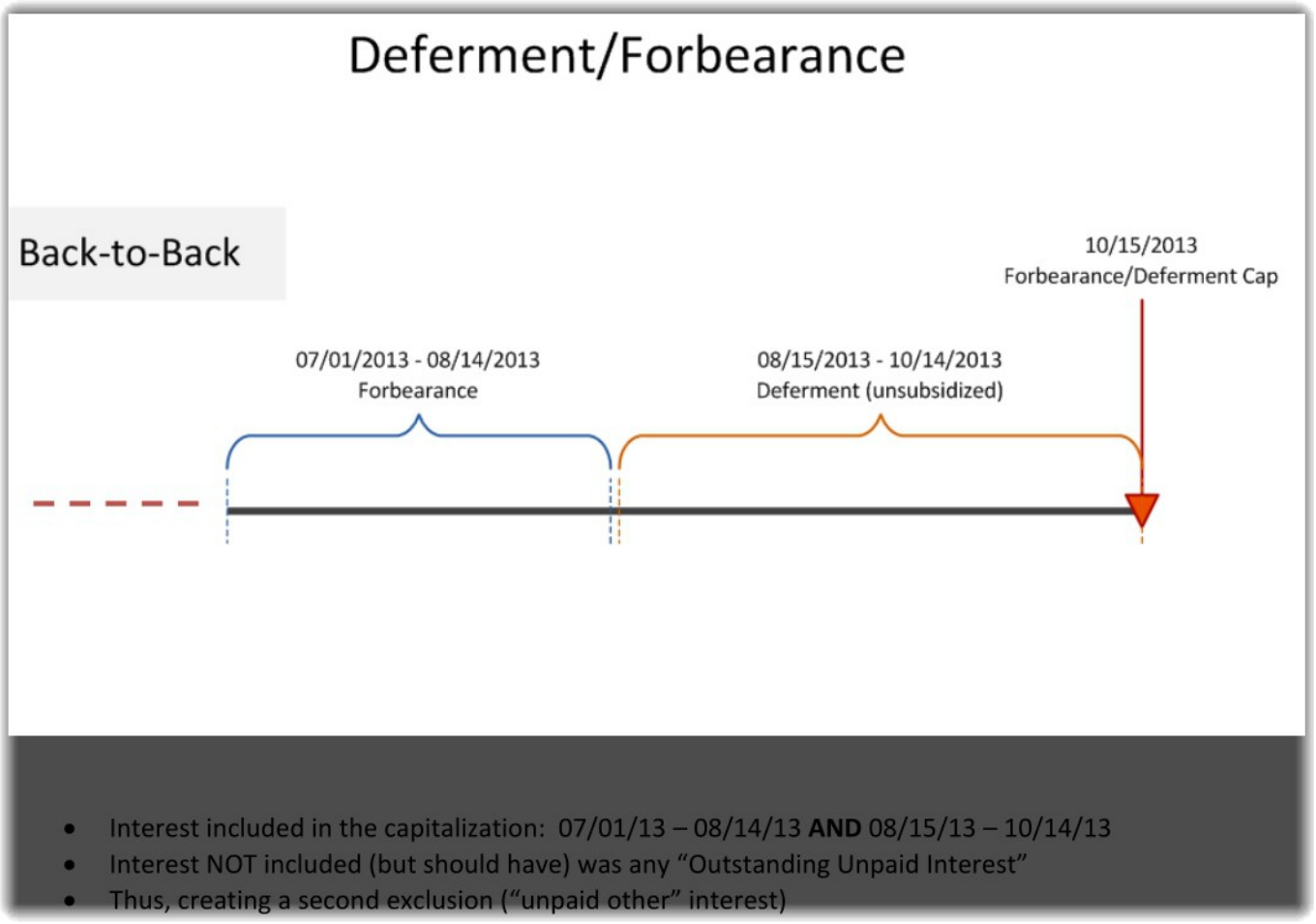


Exhibit B: Capitalization - consecutive periods of deferment and forbearance with outstanding unpaid interest (prior to entering the deferment / forbearance period)

The following illustration shows outstanding unpaid interest that accrued prior to the forbearance and deferment periods. When Nelnet implemented 1492, they developed tracking periods for deferment and forbearance so that only that amount would be capitalized. Thus, outstanding unpaid interest accrued prior to the deferment or forbearance would remain as accrued interest ("unpaid other").



Recommendation to Resolve Finding
(b)(5)

**Under the Income Contingent Repayment (ICR) Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.*

From: Battle, Cynthia
Sent: 6 Aug 2014 11:32:47 -0500
To: Foss, Ian
Subject: Capitalization - Decision
Importance: High

Do you have about 15 minutes to help with the final response on the capitalization issue. We are close -- just a couple of justifications (more around the authorities) and I could use your help. I'm working from home today. Here's one message and I'll forward the decision paper too.

From: Strudgeon, George
Sent: Tuesday, August 05, 2014 2:32 PM
To: Battle, Cynthia
Cc: Stewart, Tracey; Kim, Bora; O'Flaherty, Sue; Kane, John; Meadows, Kim
Subject: RE: Materials for FY13 ICOFR CAP 1.1.3 and 1.1.4

Cindy,

I presented the Decision Paper and the CR. There is basic agreement, but it is contingent on something.

Please revise the document to add the exact text of the Regulation for DL that says or implies two things:

(b)(5)

(b)(5)

George

From: Battle, Cynthia
Sent: Monday, August 04, 2014 1:06 PM
To: Strudgeon, George
Cc: Stewart, Tracey; Kim, Bora; O'Flaherty, Sue
Subject: RE: Materials for FY13 ICOFR CAP 1.1.3 and 1.1.4

(b)(5)

Thanks as always!

From: Strudgeon, George
Sent: Monday, August 04, 2014 12:51 PM
To: Battle, Cynthia
Cc: Stewart, Tracey; Kim, Bora; O'Flaherty, Sue
Subject: RE: Materials for FY13 ICOFR CAP 1.1.3 and 1.1.4

Cindy,

There is a meeting tomorrow between Business Ops and Finance Office will discuss this matter, and three others. We are driving for consensus, and we don't have it yet.

I have vacillated on whether to invite you or not. It is a 45 minute meeting to discuss an entire list of issues, so I am thinking no.

George

From: Battle, Cynthia
Sent: Monday, August 04, 2014 11:28 AM
To: Strudgeon, George
Cc: Stewart, Tracey; Kim, Bora; O'Flaherty, Sue
Subject: RE: Materials for FY13 ICOFR CAP 1.1.3 and 1.1.4

Thanks again for your help George. Let me know if there is anything else I need to do. Otherwise -- will consider this issue closed. I'll get the CR in motion per the recommendation.

Whew... checking this one off the list! Thank you!

From: Strudgeon, George
Sent: Tuesday, July 29, 2014 9:57 AM
To: Battle, Cynthia
Cc: Stewart, Tracey; Kim, Bora
Subject: RE: Materials for FY13 ICOFR CAP 1.1.3 and 1.1.4

Cindy, FYI

The proposal was discussed today at FMEI. (b)(5)

(b)(5)

Here is the update I am adding to the ICOFR tracker: White paper decision document has been completed and is being circulated for mutual decision of Business Ops and Finance Office. Next update Aug 9.

George

From: Kim, Bora
Sent: Tuesday, July 29, 2014 9:49 AM
To: Mitchell, Shayla

Cc: Richards, Sharon; Strudgeon, George; Stewart, Tracey
Subject: Materials for FY13 ICOFR CAP 1.1.3 and 1.1.4

Shayla,

I am submitting materials for FY13 ICOFR CAP 1.1.3 and 1.1.4.
I believe there is a joint meeting next Tuesday between Anthony Chavez and John Kane to discuss the documents attached.

Bora

Bora Kim
U.S. Department of Education, Federal Student Aid
Internal Controls Division
830 First Street, N.E., Washington DC 20202
202-377-3146

From: Ian.Foss@ed.gov
Sent: 26 Jul 2017 18:10:38 -0400
To: Callahan, Nicole
Subject: Capitalization blog post

If you all want me to write an interest capitalization blog post (referenced during office hours today), I'm happy to. It would be way easier than any of the others we've done.

From: Battle, Cynthia
Sent: 14 Nov 2011 11:49:02 -0600
To: Jackson, Lateata
Cc: Oknich, Mary;Leifeste, Denise;Curran, Frank D.;Foss, Ian;DiCarlo, Lisa;O'Flaherty, Sue
Subject: Capitalization Requirements - CR 1492
Attachments: Cap_req-CR1492.xlsx

La Teata,

(b)(5)

Frank and Ian -- thank you for your assistance and patience as we finalized the cap requirements!

Cindy

From: Curran, Frank D.
Sent: Wednesday, November 09, 2011 10:31 AM
To: Battle, Cynthia
Cc: Ayanian, Margaret; Oknich, Mary; Leifeste, Denise; Jackson, Lateata
Subject: RE: Transfer Forbs - NO Cap??? Need to know by 11 TODAY

This work?

18001.03	(b)(5)

From: Battle, Cynthia
Sent: Wednesday, November 09, 2011 10:24 AM
To: Curran, Frank D.
Cc: Ayanian, Margaret; Oknich, Mary; Leifeste, Denise; Jackson, Lateata
Subject: RE: Transfer Forbs - NO Cap??? Need to know by 11 TODAY

Frank – did you get a change to confirm and write up this requirement? I want to include in our final …final capitalization change. Thanks!

From: Curran, Frank D.
Sent: Tuesday, November 08, 2011 6:59 AM
To: Battle, Cynthia; Oknich, Mary; Leifeste, Denise
Cc: Ayanian, Margaret
Subject: Transfer Forbs - NO Cap??? Need to know by 11 TODAY
Importance: High

Cindy/Mary/Denise - original instruction for servicers for transfer forbearances was that they were allowed to use them on borroewrs 60 days or less delinquent, but NOT required to be put

on borrower accounts, and if they were put on them, they should capitalize. Somewhere along the line --- that direction changed and at least some of the servicers were told these forbearances were NOT to capitalize.

I checked with the TIVAS and SM, PH, and NN are NOT capping and GL IS capping. (b)(5)

(b)(5)

(b)(5)

Sorry for the short turnaround - but I need to know by 11 am today if any of you have any issue with this direction or if you need more info from me. Otherwise that is what I'm going with.

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(b)(5)

of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 8 Mar 2016 14:32:08 +0000
To: Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Jackson, Lateata
Subject: Capping Validation Scenarios (CR 2785) Outline
Attachments: Capitalization Validation Scenarios.docx

Good morning all,
I wanted to share the draft of Validation Scenarios for the Capping CR 2785. I am planning to discuss these this week (Thursday) on our call. Working to finalize the additional two scenarios for the Job Aid and will send that to you all later today (or early tomorrow). As always please send me any comments, questions, suggestions, or corrections you have.
Thanks,
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 2 Feb 2015 10:40:30 -0600
To: Battle, Cynthia;Foss, Ian;Jackson, Lateata;Oldre, Lisa;Meadows, Kim
Subject: Compiled Q&A for 2785 Draft responses
Attachments: CR2785 Q&A.xlsx

Good Morning,
Here are the compiled list of questions/ concerns with CR2785 the themes I see are:

- Why are we asking them to prorate interest payments between neg am and regular interest
- When is neg am interest effective as of?
- Sprinkling of PFH and PAYE clarifications.

There are some I would like to "huddle" internally on prior to the meeting if possible. I was thinking possible tomorrow afternoon. Please le t me know if you all are available say 3ish tomorrow?
Thanks again for your assistance on this.
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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of the Freedom of Information and Privacy Act

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From: CM_Validation
Sent: 11 Jul 2017 14:25:21 +0000
To: (b)(4); (b)(6) ;Jackson, Lateata;CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: (b)(4); (b)(6) ;Bubel, Susan;Battle, Cynthia;Chialastri, Taneka;Leavitt, Katharine
Subject: Compliance Statement: 2785_3835 NN 1 of 1

Amy –
I do not see the compliance statement in the CM artifacts repository.

Can you please send a copy?

Thanks,
Mario

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @nelnet.net]
Sent: Friday, June 30, 2017 2:19 PM
To: Jackson, Lateata; CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: (b)(4); (b)(6) Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; Leavitt, Katharine
Subject: RE: 2785_3835 NN 1 of 1

Thank you, I am confirming receipt for Nelnet and we will implement by July 14, 2017.

(b)(4); (b)(6)
O: (b)(4); (b)(6)
C: (b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Friday, June 30, 2017 5:28 AM
To: (b)(4); (b)(6) @nelnet.net>; CM_Validation <CM_Validation@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Leavitt, Katharine <Katharine.Leavitt@ed.gov>; Mitchell, Shayla <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6) @nelnet.net>; Bubel, Susan <Susan.Bubel@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Leavitt, Katharine <Katharine.Leavitt@ed.gov>
Subject: RE: 2785_3835 NN 1 of 1
Importance: High

FSA approves the attached Artifacts and Compliance Statement for CRs 2785 and 3835. FSA anticipates Nelnet's implementation to be July 14, 2017.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Monday, June 05, 2017 1:01 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: 2785_3835 NN 1 of 1

Good Afternoon,

Attached are Nelnet's follow up items from the walkthrough and revised validation artifacts for CR's 2785 and 3835.

Revisions to the validation artifacts:

Scenario 1

- No changes

Scenario 2

- (b)(5)
-

Scenario 3

- (b)(5)
-
-

Scenario 4

- No changes

Scenario 5

- (b)(5)

- (b)(5)
-
-

Scenario 6

- (b)(5)
-

Scenario 7

- No changes

Scenario 8

- No changes

Scenario 9

- (b)(5)

Scenario 10

- (b)(5)

Scenario 11

- (b)(5)

Scenario 12

- No changes

Scenario 13

- No changes

Scenario 14

- (b)(5)

Scenario 15

- No changes

The password will follow.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) @Nelnet.net
nelnet.com

From: Bubel, Susan
Sent: 25 Jan 2017 21:28:07 +0000
To: Battle, Cynthia
Cc: Jackson, Lateata;Foss, Ian;Chialastri, Taneka;Kim, Bora;Leavitt, Katharine
Subject: Concerns WIth PHEAA CR 2785

Good afternoon,

Not sure how many of you were able to join the reviews this week, but I have a few remaining concerns with the PHEAA solution based on the final review with CornerStone. (b)(5)

(b)(5)

1.) (b)(5)

(b)(5)

2.) (b)(5)

3.) (b)(5)

(b)(5)

(b)(5)

I will ask PHEAA to go through these scnearios tomorrow. Any other concerns from you folks?

Thanks,

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: Bubel, Susan
Sent: 25 Jan 2017 16:26:16 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian;Leavitt, Katharine;Kim, Bora;Jackson, Lateata
Subject: CornerStone CR 2785 review FSA Notes 012517
Attachments: CornerStone CR 2785 review FSA Notes 012517.docx

All,

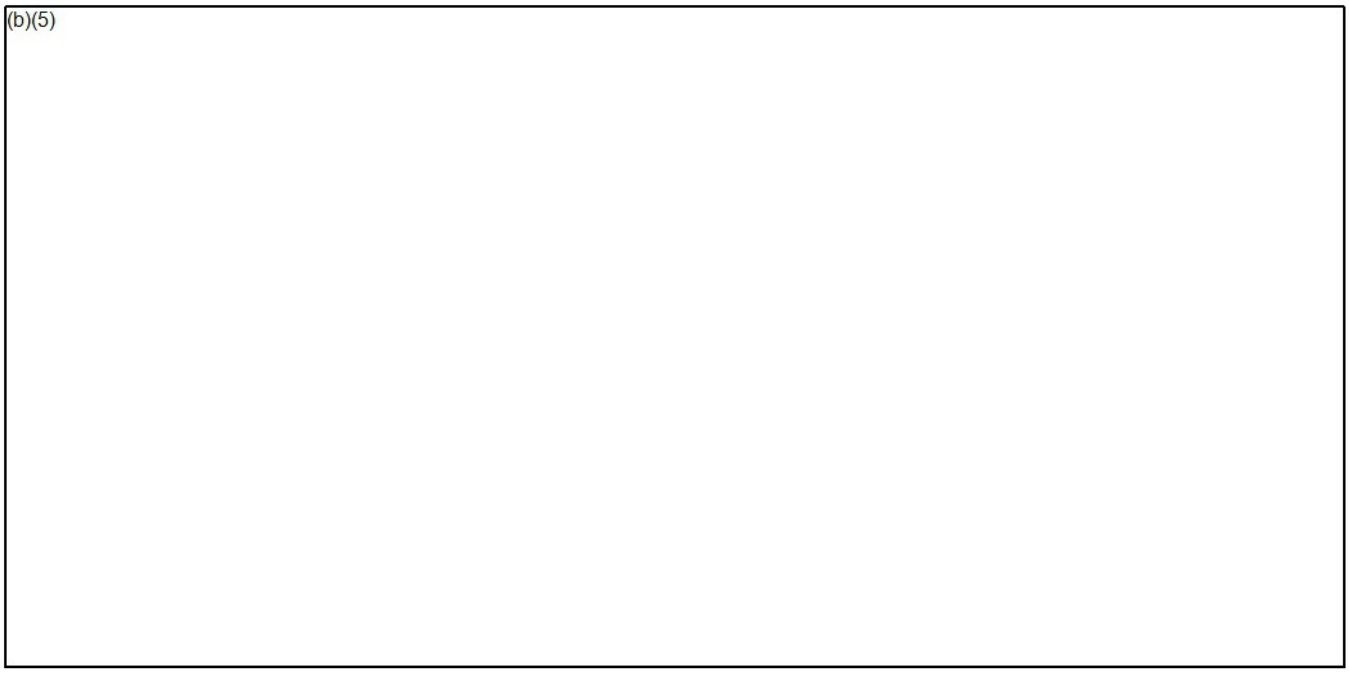
I wanted to share the questions I had on the first scenario for CornerStone for this afternoon's meeting. I am still reviewing the artifacts but wanted to give you an idea of what I saw in the first scenario.

Thanks,

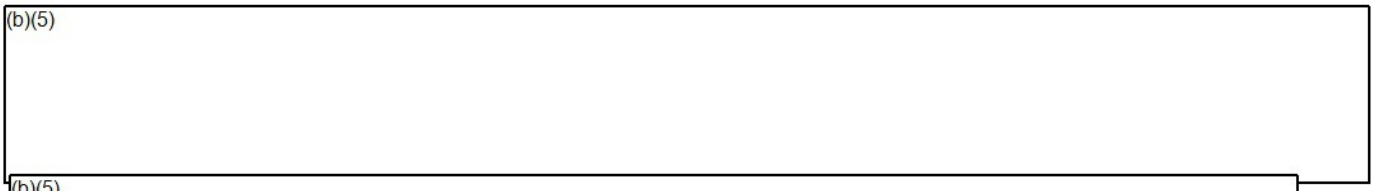
Sue

CornerStone CR 2785 review

(b)(5)



Page #5 of Scenario 1:

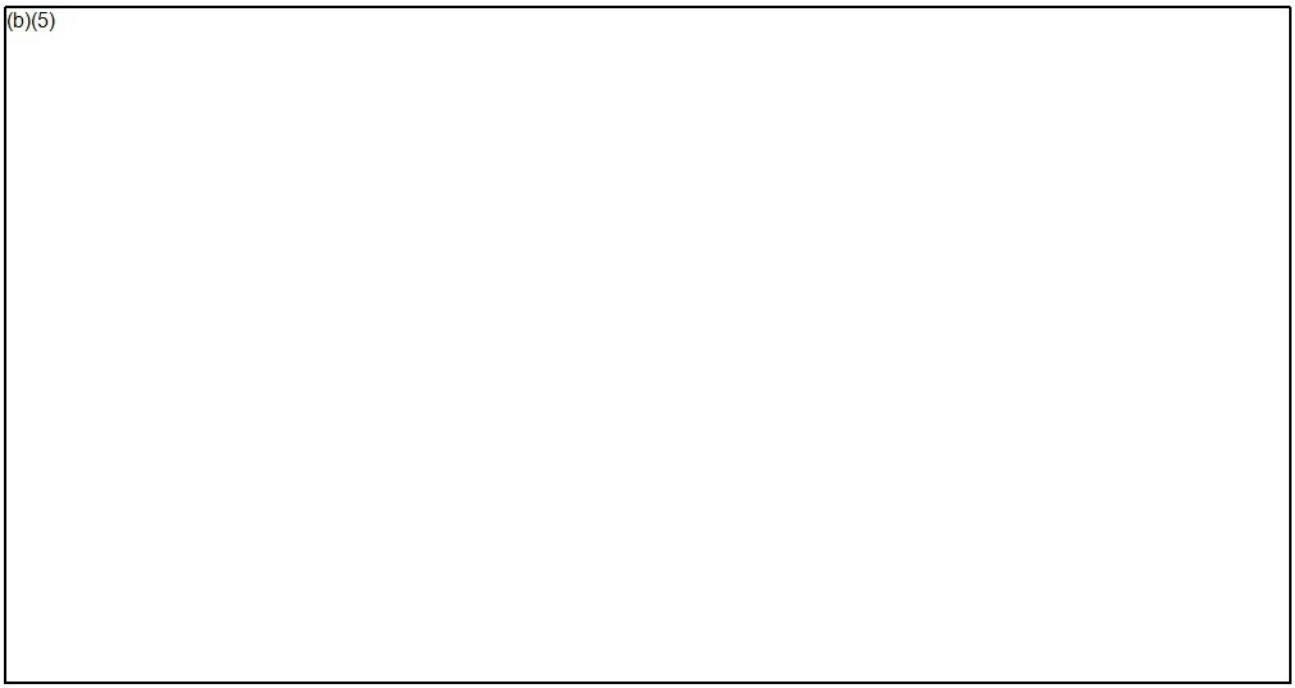




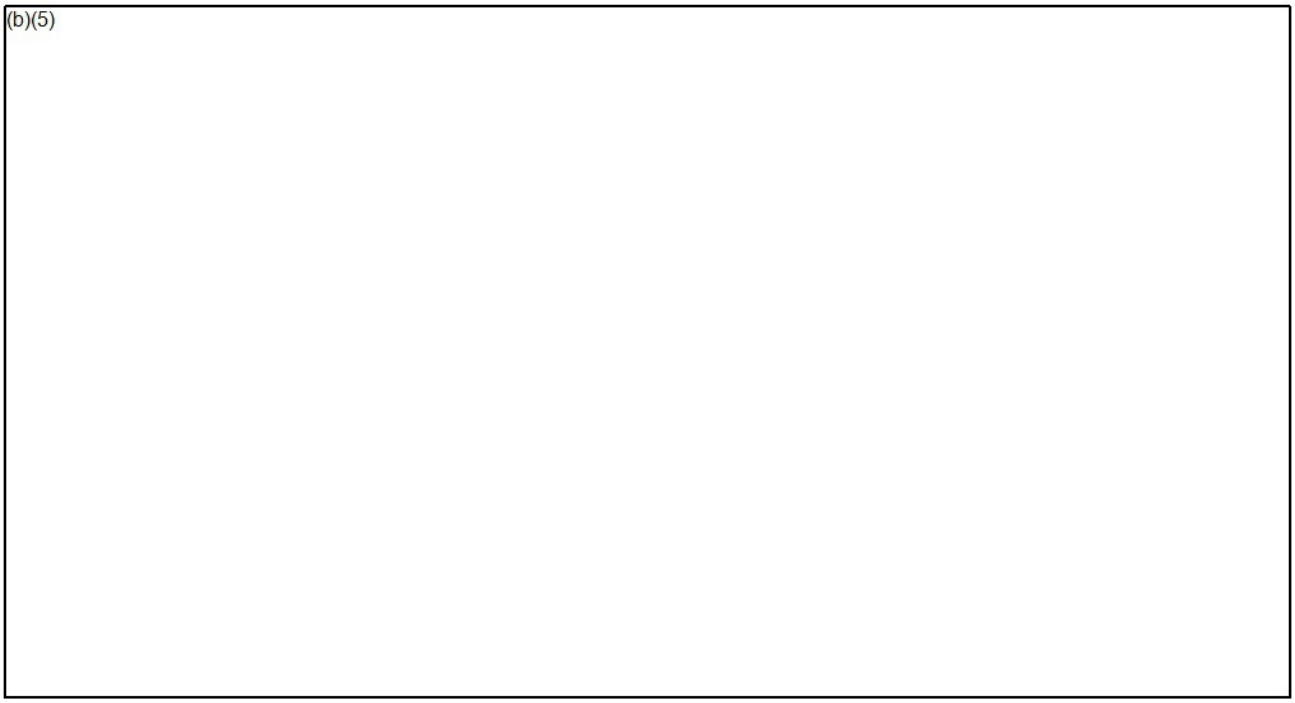

(b)(5)

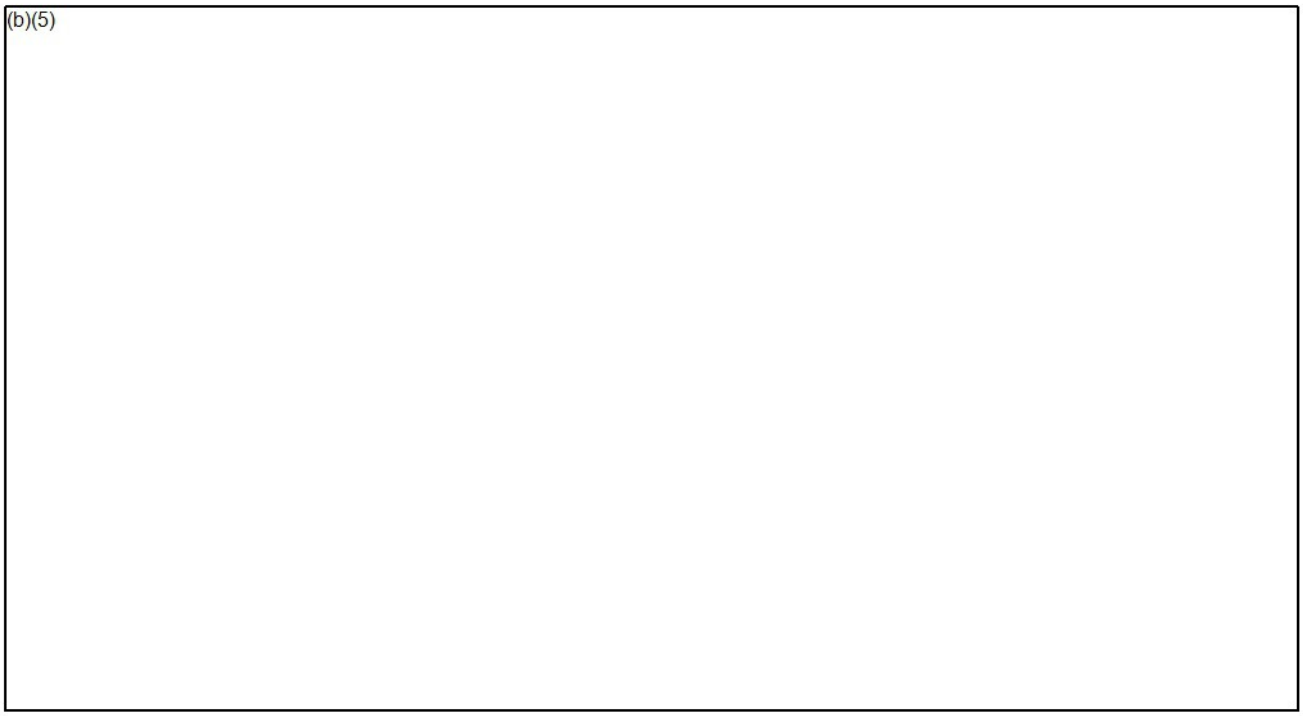

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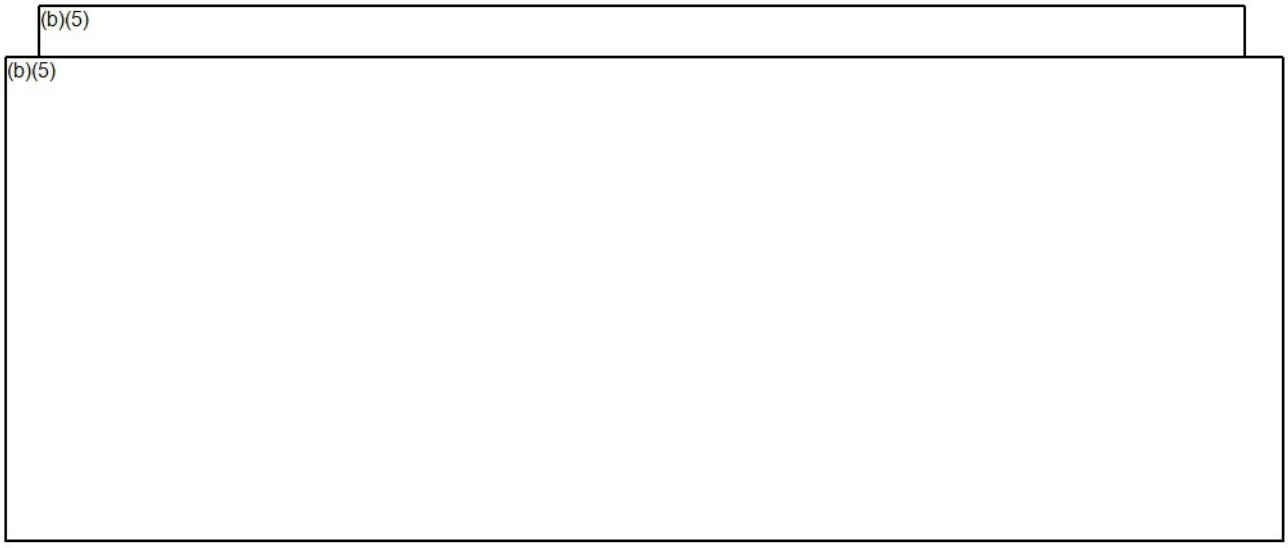

(b)(5)


(b)(5)


(b)(5)


(b)(5)


(b)(5)


(b)(5)
(b)(5)


(b)(5)

From: (b)(4); (b)(6)
Sent: 2 Feb 2017 17:43:06 +0000
To: (b)(4); (b)(6) CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny;Bubel, Susan
Subject: CornerStone CR 2785 Walk-through Follow Up

There were two outstanding questions from the walk-through that required a response. After working with PHEAA to determine the cause, here is the response.

For the payment in July with outstanding NegAM (from PHEAA):
While going through validation for the July payment with NegAm, it appears we identified a system issue with handling the activity. We are currently identifying the impact, once complete we will identify system fix and corrected action. Until these tasks are complete, we will not be able to provide the validation artifact.
We will track this as an open issue.

For the interest transaction issue where the interest buckets did not equal the overall interest bucket amount -
We were able to determine that there was an outstanding code defect for the loan load process that was still outstanding at the time we loaded the EA27 file. This caused the interest values to be loaded incorrectly in some circumstances. We did not understand the impact of that defect and therefore the loan was never updated after the defect was resolved. This caused the interest values to not total for future transactions. Since this defect was resolved and we believe PHEAA artifacts were correct in this matter, we consider this item closed as this was a data issue in the test environment and no longer a code issue.

(b)(4); (b)(6)

Please let us know if you have any questions. Thanks!



--

From: Jackson, Lateata
Sent: 22 Dec 2016 17:32:28 +0000
To: (b)(4); (b)(6) @glhec; (b)(4); (b)(6) (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) @Navient.com (b)(4); (b)(6) ;EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) (b)(4); (b)(6) OSLA CM Email; (b)(4); (b)(6) (b)(4); (b)(6) ;PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia;Bubel, Susan;Chialastri, Taneka;Foss, Ian
Subject: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016
Attachments: CR 2785 Servicer Q&A Update 122116.docx

Please see the attached correction made by FSA

<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Wednesday, December 14, 2016 2:07 PM
To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point (b)(5) We are working to get a response to that and will send out another update once we have it.

<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Loss of PFH during Deferment / Forbearance

It has been brought to our attention that there is some contradiction in our response to capitalization at the time of loss of PFH during a deferment/or forbearance. FSA provided guidance earlier last week that loss of PFH should be handled the same as exiting a plan to make the processes consistent and make the process easier to handle and explain to borrowers instead of "if, then" scenarios.

Currently there are the following requirements addressing this scenario:

5066.02	FSA CR 1492 Requirement	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.04	FSA CR 1492 Requirement	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.

With this being called out, we are assuming you all already have your systems handling the loss of PFH this way already and at this point we will not ask you to change that logic. I apologize for the confusion, but it was an oversight that there was already a requirement addressing this scenario.

FSA has updated the responses to address the change in response.

Neg Am Clarification

With the changes in CR2785 there have been many questions regarding Neg Am accrual and clarification. As we worked through these questions and received more and more scenarios from the servicers FSA would like to propose an approach that hopefully will make handling and explaining Neg Am to borrowers easier.

If a borrower is in ICR or in the Alt Neg Am repayment plan all of the Neg Am rules apply

- Annual capping
- 10% limit
- Neg AM is not included in Deferment or forbearance capping

If a borrower leaves ICR or Alt Neg, the outstanding Neg Am interest can be treated as regular interest. It can be included in capping events and no need to track until June 30th.

FSA is looking for feedback form the servicers if they are in agreement with this approach and if there are any concerns as you all are quite a way into the CR2785 work effort and we were unsure of any changes you had made to the Neg AM interest handling based on your questions.

We are hoping this is an approach all servicers agree with and can accommodate.

Once we get confirmation of accommodation, FSA will go back through all of the Q&A's as well as the examples to be sure the approach is clear.

From: Foss, Ian
Sent: 5 Dec 2011 20:11:38 +0000
To: Jackson, Lateata
Cc: Battle, Cynthia
Subject: CR 1492 - Clarifying Requirement 5066.03

La Teata,

To clarify requirement 5066.03 in CR 1492, capitalization for IBR does not occur while the borrower is experiencing a partial financial hardship. *See* 34 CFR 685.221(b)(4). A partial financial hardship is defined as a period in which a 10-year standard payment amount is greater than 15 percent of the amount by which the borrowers AGI exceeds 150 percent of the applicable poverty level. *See* 685.221(a)(4). A deferment does not "destroy" a partial financial hardship status.

Ian Foss
US Department of Education
Federal Student Aid
Policy Liaison & Implementation
202-377-3681

From: Jackson, Lateata
Sent: 1 Feb 2012 13:11:39 -0600
To: Battle, Cynthia;Wright, Rosalizes;Foss, Ian;Connelly, Tammy;Washington, Patrice
Subject: CR 1492 - Interest Capitalization Practices
Attachments: CR ID 1492 Requirements Clarifications for InterestCapitalization Practices - Impact Analysis 12142011.docx



Title IV Additional Servicers (TIVAS) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR) #:	1492 12/14/2011
CR Title:	Requirements Clarifications for Interest Capitalization Practices
TIVAS:	☐ Great Lakes ☐ Nelnet ☒ PHEAA ☐ Sallie Mae
High Level Approach:	PHEAA will modify its servicing system to comply with the new interest capitalization clarifications provided by FSA as follows: • Subsidized FFEL and Direct loans will only capitalize at the end of a forbearance period. • Unsubsidized FFEL and Direct loans will capitalize at the end of the grace period and at the end of any successive deferment/forbearance period. • Direct and FFEL PLUS loans including Direct PLUS Consolidation loans will capitalize at the end of any successive deferment and/or forbearance period. • Direct Unsubsidized Consolidation loans qualifying for a grace period will follow the same capitalization rules as the Direct Unsubsidized Stafford Loans. • Borrowers paying loans under the Income Based Repayment plan (IBR) will not have interest capitalized until they no longer have a PFH payment or leave IBR. • Borrowers will be notified of all outstanding interest to be capitalized prior to the capitalization of interest and will be afforded the opportunity to pay the interest prior to the capitalization. • In the event of an interest capitalization, loans will be re-disclosed to adjust the borrower's installment amounts, ensuring loans will pay off in the remaining term. • Capitalization of annual Negative Amortized interest will be performed in the same manner as it is today (See assumptions).
Risks:	ICR Requirements will not change based on recommendations provided by PHEAA and discussed with FSA 12/12/2012. Changes to existing ICR capping process not included in this evaluation.

Assumptions:	• Capping rules govern all federally owned loans (Direct and FFEL) • Forbearance rules apply to all forbearances except non-capping administrative forbearances • Continuous periods of deferment and forbearance are defines as successive periods of deferment and/or forbearance where no due date exists in between any of the periods. • ICR requirements will change based on conference call held 12/12/2012 and follow up documentation provided by PHEAA. PHEAA will continue to cap annual Negative Amortized interest in the same manner it does today. • An IBR borrower that has a PFH and then receives a deferment or forbearance is removed from PFH and the interest is capitalized when they exit the deferment or forbearance.
ROM: *(Hours/LOE ONLY. DO NOT include any cost information.)*	480
Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	3/30/2012
Alternative Solution(s) Proposed: *(If Applicable)*	N/A

From: Jackson, Lateata
Sent: 9 Aug 2011 08:48:51 -0500
To: Foss, Ian
Subject: CR 1492 for revision
Attachments: ID 1492_ Capitalization Practices - 080411.docx

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

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(b)(5)

of the Freedom of Information and Privacy Act

Page 0083

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(b)(5)

of the Freedom of Information and Privacy Act

From: (b)(4); (b)(6)
Sent: 12 Dec 2011 14:31:09 -0500
To: Battle, Cynthia;Connelly, Tammy;Washington, Patrice;Smith, Lynn;(b)(4); (b)(6) @pheaa.org;(b)(4); (b)(6)
Cc: Matthew Sessa;Foss, Ian
Subject: CR 1492 Question Clarification Follow up from Call 12/12/2011

All,

Here is the follow up from PHEAA based on today's call. Please let me know if you have any additional questions or if changes are needed based on the information below:

1. The definition of continuous periods of deferment and forbearance were discussed. It was confirmed that periods of deferment are considered continuous if no active installment bill exists between the end date of the previous deferment/forbearance and the start date of the new deferment start date. In the event that a deferment/forbearance is applied retroactively and covers all outstanding installment bills, the interest that was capitalized will be reversed and re-calculated based on the end date of the new deferment/forbearance.

2. Deferment/Forbearance periods that exist at the time of the Negative Amortized interest cap was discussed. PHEAA asked questions concerning the timing of the annual cap as well as questions surrounding the notification of the amount of Negative Amortized interest to the borrower. PHEAA asked the following questions:

(b)(5)

Based on our discussion, PHEAA proposed the following recommendation/change to requirement 5023.03.

(b)(5)

(b)(4); (b)(6)

thanks!

(b)(4); (b)(6)
Manager
FedLoan Servicing
(b)(6) (Office)

==========
==
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in the unauthorized use of this message.
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From: Jackson, Lateata
Sent: 10 Aug 2011 09:54:38 -0500
To: POC Change Request;Whittington, Rochelle;(b)(4); (b)(6) Onley, Nora;Miller, Debbie
Cc: Foss, Ian;Battle, Cynthia
Subject: CR 1492 Requirements Clarifications for Interest Capitalization Practices
Attachments: ID 1492_ Capitalization Practices - Revised 08102011.docx
Importance: High

Rochelle,

Attached is a REVISED version of CR 1492. The title of the CR has also been revised. FSA has validated this CR and it is ready to be presented at CMB today to go to the contractors with a 2 week turnaround.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Foss, Ian
Sent: Tuesday, August 09, 2011 3:39 PM
To: Jackson, Lateata; Battle, Cynthia
Subject: RE: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices

Yes, La Teata. You may find it attached to this message.

On the capitalization on Subsidized Loans exiting a deferment, the regulations do not specify that interest may be capitalized when at that time. However, our special rule regarding back-to-back deferments and forbearances states that interest that accrued during a forbearance that was not capitalized because the loan immediately went into a deferment may be capitalized when the loan exist that deferment.

<< File: ID 1492_ Capitalization Practices - 080411.docx >>

From: Jackson, Lateata
Sent: Tuesday, August 09, 2011 1:46 PM
To: Foss, Ian; Battle, Cynthia
Subject: RE: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices

Ian, this version does not contain all of the changes we discussed this morning. Should I still be expecting a revised CR from you today?

<< File: Interest_Capitalization_Final.docx >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Foss, Ian
Sent: Tuesday, August 09, 2011 8:40 AM
To: Jackson, Lateata; Battle, Cynthia; Leifeste, Denise; Myers-Wright, Helena; Sligh, Laraba
Subject: RE: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices

See the tracked changes for the slight clarification.

<< File: Interest_Capitalization_Final.docx >>

-----Original Appointment-----
From: Jackson, Lateata
Sent: Tuesday, August 09, 2011 8:35 AM
To: Jackson, Lateata; Foss, Ian; Battle, Cynthia; Leifeste, Denise; Myers-Wright, Helena; Sligh, Laraba
Subject: FW: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices
When: Tuesday, August 09, 2011 8:30 AM-9:30 AM (GMT-05:00) Eastern Time (US & Canada).
Where: Rm 82E2 -(b)(6) PC (b)(6)

When: Tuesday, August 09, 2011 8:30 AM-9:30 AM (GMT-05:00) Eastern Time (US & Canada).
Where: Rm 82E2 - (b)(6) PC (b)(6)

Note: The GMT offset above does not reflect daylight saving time adjustments.

~~*~*~*~*~*~*~*~*~*

Ian – sorry for the late notice – but we are discussing the capitalization rule this morning with CM (right now). I know you want to add the one change – are there others? You are welcome to call in if you have time.

-----Original Appointment-----
From: Jackson, Lateata
Sent: Monday, August 08, 2011 8:25 PM
To: Jackson, Lateata; Battle, Cynthia; Leifeste, Denise; Myers-Wright, Helena; Sligh, Laraba
Subject: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices

When: Tuesday, August 09, 2011 8:30 AM-9:30 AM (GMT-05:00) Eastern Time (US & Canada).
Where: Rm 82E2 - (b)(6) PC (b)(6)

THe attached assessments for CR 1431 need to be reviewed and the attached CR 1492 - Capitalization Practices needs to be validated to go out to Servicers.

Business Operations Change Request Form

Send all Change Request Forms to POCChangeRequest@ed.gov

Administrative Information

Service Area Validation for Submission Completed: ☒ **Defer:** ☐ **ID: 1492**

Requestor: Cynthia Battle

Date Submitted: 8/4/2011

Title of change request: **Requirements Clarifications for Interest Capitalization Practices**

Anticipated Implementation Date: **December 31, 2011**

FSA System/Area Impacted

☐ COD	☐ CPS	☐ eCampus Based
☐ TPD	☐ DLSS	☐ FFEL Commercial
☐ DLCS	☐ DMCS/DMCS2	☐ NSLDS
☒ ACES Nelnet Platform	☐ Participation Management	☐ EDExpress
☒ All Servicers (TIVAS)	☐ Security Architecture	☐ SAIG
☐ PEPS/IPM	☐ EAI	☐ FMS
☐ FPDM	☐ CSB Data Mart	☒ **Other NFP**

Details

Description of Change Requested:

FSA is providing the below Business Rule as clarification on Interest Capitalization Practices. There are no new requirements in this Change Request. If Servicers require additional clarification meetings please contact lateata.jackson@ed.gov.

Reason for Change:

To standardize the interest capitalization events across all ED servicers

Reference

- 34 CFR 682.202(b) Permissible Charges by Lenders to Borrowers, *Capitalization*
- 34 CFR 682.211(f)(11) Forbearance
- 34 CFR 685.202(b) Charges for Which Direct Loan Program Borrowers are Responsible, *Capitalization*
- 34 CFR 685.205(b)(9) Forbearance, *Administrative Forbearance*
- 34 CFR 685.208(l)(5) Repayment Plans, *Alternative Repayment*
- 34 CFR 685.209(c)(5) Income Contingent Repayment Plan, *Limitation on Capitalization of Interest*
- 34 CFR 685.221(b)(4) Income Based Repayment Plan

Business Rule

Interest capitalization occurs when a borrower's unpaid accrued interest is added to the borrower's unpaid principal balance.

Capitalization for the following loans is only permitted as explicitly authorized below.

When referencing an ED-held FFELP Loan, the following FFELP loans in the Department-held portfolio are included: PUT, Conduit, and reinstated TPD loans.

When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).

For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan:

- Exits forbearance.

For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan:

- Enters repayment;
- Exits deferment; and
- Exits forbearance.

For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan:

- Exits deferment; and
- Exits forbearance.

For Direct Subsidized Consolidation Loans, interest is capitalized when the loan:

- Exits forbearance.

For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan:

- Exits deferment; and
- Exits forbearance.

For Direct PLUS Consolidation Loans, interest is capitalized when the loan:

- Exits deferment; and
- Exits forbearance.

For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.

Special rule for periods of back-to-back deferment and/or forbearance:

> If a borrower enters a series of status changes that would otherwise result in interest capitalization, the servicer will capitalize only once, at the end of the final status change, as illustrated by the following examples:
>
> > Example 1. If a borrower is placed on administrative forbearance, then has the forbearance extended as a regular forbearance, and finally is placed in an economic hardship deferment, without any breaks between the periods of forbearance and deferment, the accrued interest is not capitalized until the end of the deferment period.
> >
> > Example 2. If a borrower with a PLUS loan that was first disbursed on or after July 1, 2008 receives an in-school deferment covering the total period of at least half-time enrollment that is immediately followed by a six-month post enrollment deferment, the interest that accrued from the period of first disbursement to entry into repayment, the in-school deferment, and the post-enrollment deferment is not capitalized until the end of the six-month post-enrollment deferment period because there is no break between the two deferment periods.

For borrowers who are repaying Direct Loans under the Income Contingent Repayment (ICR) or Alternative Repayment Plans, interest is capitalized annually when the scheduled payments do not cover the interest that has accrued on the loan (“negative amortization”), except as provided below.

In the case of negative amortization, the servicer capitalizes interest on July 31 each year, but only for interest that accrues through June 30. Delaying the date of capitalization gives the borrower an opportunity to pay the accrued interest before it capitalizes. For loans that are in deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.

For example, if a borrower's calculated monthly payment covers all but $50 of the interest that accrues each month, $600 in unpaid interest will accrue over the course of a 12-month period, despite the borrower having been in repayment the entire year and having paid the full monthly payment each month. On July 31, the servicer will capitalize the interest that accrued between July 1 of the preceding year and June 30 of the current year. Although $650 of unpaid interest will have accrued at the time of capitalization, only $600 will be capitalized on July 31.

Exception One: the annual capitalization excludes any interest that accrued during forbearance (including reduced payment forbearance during which the payment may be less than the monthly interest amount) and deferment.

If a deferment or forbearance ends prior to the annual capitalization date of July 31, the servicer will capitalize only the interest accrued during the deferment or forbearance period at the conclusion of the deferment or forbearance. The servicer will then capitalize the interest that accrued due to negative amortization on July 31, but only for interest that accrued through June 30.

For example, if an ICR borrower whose loan negative amortizes receives a deferment from January 15 – July 15, the servicer will capitalize unpaid interest that accrued during the deferment period at the conclusion of the deferment. Unpaid interest that accrued due to the negative amortization from July 1 of the prior year to June 30 of the current year will be capitalized on July 31—at the time of annual capitalization.

Exception Two: interest is capitalized due to negative amortization until the outstanding principal balance is ten percent greater than the original principal balance. The original principal balance is the principal balance when the borrower's loan enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations. Once the ten percent capitalization is reached, the servicer continues to accrue interest on the borrower's loan(s), but the interest above the ten percent is not capitalized.

For borrowers who are repaying any Direct Loan or ED-held FFELP Loan under the Income Based Repayment (IBR) Plan, and regardless of any other rule concerning interest capitalization, interest is not capitalized until the borrower no longer has a partial financial hardship (PFH) or exits IBR.

For example, if a borrower who is repaying under IBR receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment.

Conversely, if a borrower is repaying his or her loan(s) under IBR and receives a deferment or forbearance that ends after the borrower has been determined to no longer have a PFH or after the borrower requests to be removed from IBR, the servicer will capitalize the accrued interest at the end of the deferment or forbearance.

For the above scenarios, the loans accrue interest until the day prior to the date of capitalization unless otherwise stated above.

Notification of Capitalization

When the Servicer capitalizes interest and increases the borrower's principal balance, the Servicer is required to notify the borrower that all unpaid interest will be, or has been capitalized. After interest has been added to the borrower's principal balance, the Servicer is required to re-disclose to the borrower the amount of interest capitalized and the borrower's adjusted payment amount.

Additional Information (ALL OPERATIONAL IMPACTS MUST BE ASSESSED):

IST Anticipation: No IST required for this CR.

Validation (Requirement ID/Criteria): FSA requires a copy of each servicers updated procedures relating to capitalization events and practices. Please submit your updated procedures documents to lateata.jackson@ed.gov at least 2 weeks prior to the implementation date.

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)?
N/A

From: Strudgeon, George
Sent: 20 Nov 2013 16:42:23 -0600
To: Foss, Ian
Cc: Wright, Rosalizes
Subject: CR 1492
Importance: High

Ian,

We have a very urgent need with respect to the audit. (b)(5)

(b)(5)

(b)(5)

George

From: Jackson, Lateata
Sent: 22 Jan 2015 16:52:22 -0600
To: Battle, Cynthia;Bubel, Susan;Oldre, Lisa;Meadows, Kim;Leavitt, Katharine;Foss, Ian
Cc: Connelly, Tammy;Washington, Patrice;Ratchford, Sabrina;Brown, Lenny;Smith, Lynn
Subject: CR 2785 - CR 1492 Requirement Clarification REVISED CR
Attachments: CR 2785 REVISED 01222015 WITH ATTACHMENT.ZIP

All,
Attached is the revised CR and the Job Aid attachment to be validated by you so we can send it to the Contractors for assessment. I will set-up a validation meeting for tomorrow to discuss the following:

- Are all of the requirements needed for this CR included
- Validation Artifacts needed
- Assessment due dates
- Implementation dates

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Department of Education
Federal Student Aid

Capitalization

Job Aid

12/17/2014

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Page 0096

Withheld pursuant to exemption

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of the Freedom of Information and Privacy Act

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Business Operations Change Request Form

Send all Change Request Forms to POCChangeRequest@ed.gov

Administrative Information

Service Area Validation for Submission: Completed: ☒ **Defer:** ☐ **ID:** 2785
Requestor: Cindy Battle **Date Drafted:** 09.02.14
CR Title: 1492 Requirement Clarification **Date Received:** 9/2/14 / 01/22/2015
BA: La Teata Jackson **Anticipated Implementation Date:** NLT March 2, 2015

FSA Service/System/Area Impacted

☒ Title IV Servicers (TIVAS)	☐ Ancillary Services	☐ Call Centers
☒ Not-for-Profits (NFPs)	☐ COD	☐ FMS
☐ PSLF	☐ NSLDS	☐ Security Architecture
☐ TEACH	☐ ADM/FPDM	☐ EAI
☐ TPD	☐ CPS	☐ PEPS/IPM
☐ Perkins	☐ EDExpress	☐ SAIG
☐ DMCS/DMCS2	☐ eCampus-Based	☐ AIMS
☐ DLCS	☐ Participation Management	☐ **Other:** _____

☒ **Notification Only: NSLDS**

Reason for Change (Business Need):

Background:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

Description of Change Requested (Requirements):

Servicer Requirements:

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with an effective date of July 31.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) Plan, the borrower’s monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when

	the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations. NOTE: FSA notes some servicers are likely to state that "their system complies", but they have business rules that exclude from capitalization that which accrued on a prior servicer's system; please note that this condition is not acceptable compliance and will require change.
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**
5066.01	This requirement overrides any other capitalization requirement.
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.

5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**
5072.01	When payments are applied to interest amounts they shall be prorated among Neg Am and Regular interest based on their interest balances
5072.02	Once the Neg Am and Regular interest amounts are satisfied,

	payments are then allocated to non-capping interest balances

Additional Information (All <u>OPERATIONAL</u> impacts must be assessed):

Capitalization References:
685.202
(b) Capitalization. (1) The Secretary may add unpaid accrued interest to the borrower's unpaid principal balance. This increase in the principal balance of a loan is called ''capitalization.''

(3) Notwithstanding § 685.208(l)(5) and § 685.209(d)(3), for a Direct Loan not eligible for interest subsidies during periods of deferment, and for all Direct Loans during periods of forbearance, the Secretary capitalizes the unpaid interest that has accrued on the loan upon the expiration of the deferment or forbearance.

(4) Except as provided in paragraph (b)(3) of this section and in § 685.208(l)(5), and § 685.209(d)(3), the Secretary annually capitalizes unpaid interest when the borrower is paying under the alternative or income contingent repayment plans and the borrower's scheduled payments do not cover the interest that has accrued on the loan.

685.209
(5) Limitation on capitalization of interest.
If the amount of a borrower's monthly payment is less than the accrued interest, the unpaid interest is capitalized until the outstanding principal amount is ten percent greater than the original principal amount. After the outstanding principal amount is ten percent greater than the original amount, interest continues to accrue but is not capitalized. For purposes of this paragraph, the original amount is the amount owed by the borrower when the borrower enters repayment.

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)? (THIS FIELD IS REQUIRED)
X No ☐ Yes

IST Anticipation (THIS FIELD AND DATE ARE REQUIRED):
X No ☐ Yes; Anticipated Date(s):

Post-Implementation Validation (THIS FIELD IS REQUIRED):
☐ No X Yes

Validation (REQUIRED FOR SERVICERS ONLY):

Requirement ID	Requirement	Validation Artifact(s)	Due Date

Requirement ID	Requirement	Validation Artifact(s)	Due Date
5065.00	The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.	➢ FSA will supply each servicer with the same set of 20 scenarios (making modification as appropriate to the original 1492 test conditions) to document compliance ➢ The Servicer shall provide not less than 20 test scenarios, executed in a test mode.	2/9/2015
5070.00	Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance		
5071.00	Interest accrued while loan is in a non-capping forbearance shall never capitalize		
5072.00	Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment		
5072.01	When payments are applied to interest amounts they shall be prorated among Neg Am and Regular interest based on their interest balances		
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances		

From: Jackson, Lateata
Sent: 26 Jan 2015 11:10:22 -0600
To: Battle, Cynthia;Foss, Ian;Meadows, Kim;Bubel, Susan;Oldre, Lisa;Leavitt, Katharine
Cc: Ratchford, Sabrina;Washington, Patrice;Brown, Lenny;Smith, Lynn;Connelly, Tammy
Subject: CR 2785 - CR 1492 Requirement Clarification REVISED CR
Attachments: CR_2785 Revised__01262015.docx

Based on this morning's validation meeting attached is a revised version of the CR to be sent to the contractors.
Sue/Cindy,
Please provide your approval for this version of the CR to be sent out to the contractors requesting assessment NLT 2/6/2015. I will need the scenarios that we mention in the validation section and your assistance in setting up a video conference with the contractors the afternoon of 2/3/2015 is also needed.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Business Operations Change Request Form

Send all Change Request Forms to POCChangeRequest@ed.gov

Administrative Information

Service Area Validation for Submission: Completed: ☒ **Defer:** ☐ **ID:** 2785
Requestor: Cindy Battle **Date Drafted:** 09.02.14
CR Title: 1492 Requirement Clarification **Date Received:** 9/2/14 / 01/22/2015
BA: La Teata Jackson **Anticipated Implementation Date:** NLT March 2, 2015

FSA Service/System/Area Impacted

☒ Title IV Servicers (TIVAS)	☐ Ancillary Services	☐ Call Centers
☒ Not-for-Profits (NFPs)	☐ COD	☐ FMS
☐ PSLF	☐ NSLDS	☐ Security Architecture
☐ TEACH	☐ ADM/FPDM	☐ EAI
☐ TPD	☐ CPS	☐ PEPS/IPM
☐ Perkins	☐ EDExpress	☐ SAIG
☐ DMCS/DMCS2	☐ eCampus-Based	☐ AIMS
☐ DLCS	☐ Participation Management	☐ **Other:** _____

☒ **Notification Only: NSLDS**

Reason for Change (Business Need):

Background:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

Description of Change Requested (Requirements):

This CR has been modified to:

- ***Remove compliance/non-compliance check boxes***
- ***Require Impact Assessments from all contractors***
- ***Add requirements for Never Ever Capitalizing***
- ***Provide a Job Aid to answer questions and provide scenarios***

Servicer Requirements:

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with an effective date of July 31.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) Plan, the borrower’s monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively

	amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations. NOTE: FSA notes some servicers are likely to state that "their system complies", but they have business rules that exclude from capitalization that which accrued on a prior servicer's system; please note that this condition is not acceptable compliance and will require change.
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**
5066.01	This requirement overrides any other capitalization requirement.
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).

5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**

5072.01	When payments are applied to interest amounts they shall be prorated among Neg Am and Regular interest based on their interest balances
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

Additional Information (All <u>OPERATIONAL</u> impacts must be assessed):

Capitalization References:
685.202
(b) Capitalization. (1) The Secretary may add unpaid accrued interest to the borrower's unpaid principal balance. This increase in the principal balance of a loan is called ''capitalization.''

(3) Notwithstanding § 685.208(l)(5) and § 685.209(d)(3), for a Direct Loan not eligible for interest subsidies during periods of deferment, and for all Direct Loans during periods of forbearance, the Secretary capitalizes the unpaid interest that has accrued on the loan upon the expiration of the deferment or forbearance.

(4) Except as provided in paragraph (b)(3) of this section and in § 685.208(l)(5), and § 685.209(d)(3), the Secretary annually capitalizes unpaid interest when the borrower is paying under the alternative or income contingent repayment plans and the borrower's scheduled payments do not cover the interest that has accrued on the loan.

685.209
(5) Limitation on capitalization of interest.
If the amount of a borrower's monthly payment is less than the accrued interest, the unpaid interest is capitalized until the outstanding principal amount is ten percent greater than the original principal amount. After the outstanding principal amount is ten percent greater than the original amount, interest continues to accrue but is not capitalized. For purposes of this paragraph, the original amount is the amount owed by the borrower when the borrower enters repayment.

685.211(f)(11)

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)? (THIS FIELD IS REQUIRED)
X No ☐ Yes

IST Anticipation (THIS FIELD AND DATE ARE REQUIRED):
X No ☐ Yes; Anticipated Date(s):

Post-Implementation Validation (THIS FIELD IS REQUIRED):
☐ No X Yes

Validation (REQUIRED FOR SERVICERS ONLY):

Requirement ID	Requirement	Validation Artifact(s)	Due Date
5065.00	The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.	➢ FSA will supply each servicer with the same set of 20 scenarios (making modification as appropriate to the original 1492 test conditions) to document compliance ➢ The Servicer shall provide not less than 20 test scenarios, executed in a test mode.	2/9/2015
5070.00	Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance	FSA will supply Servicer with the test scenarios to demonstrate this requirement	2/9/2015
5071.00	Interest accrued while loan is in a non-capping forbearance shall never capitalize	FSA will supply Servicer with the test scenarios to demonstrate this requirement	2/9/2015
5072.00	Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment	FSA will supply Servicer with the test scenarios to demonstrate this requirement	2/9/2015

(b)(4); (b)(6)

(b)(4); (b)(6)

From: Jackson, Lateata
Sent: 31 Mar 2016 16:39:36 +0000
To: (b)(4); (b)(6) @glhec.org; @glhec; (b)(4); (b)(6) (b)(4); (b)(6) ;PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) ;EdFinancial CM Email; (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6) ;OSLA CM Email (b)(4); (b)(6) Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Bubel, Susan;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Gibson, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen;Shanna Morris
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR 2785 - Requirement Clarification for CR 1492 - EA27 file for the Capping Validation Scenarios
Attachments: Capping Validation CR 2785.zip

Attached is the EA27 file for the Capping Validation Scenarios for CR 2785. You will find 1 DLO EA27 with 25 borrowers (27 loans) this should be plenty for the validation scenarios.
We will the accompanying documents out to you shortly.
Password to follow.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: 29 Sep 2016 15:49:34 +0000
To: (b)(4); (b)(6) ;Bubel, Susan;Aloisio, Julie;(b)(4); (b)(6) ;Foss, Ian;(b)(4); (b)(6) OSLA CM Email;(b)(4); (b)(6) Barnes, Anthony;Solares, Noemi;(b)(4); (b)(6) @glhec.org;Bennett, Rich;(b)(4); (b)(6) (b)(4); (b)(6) Oldre, Lisa;(b)(4); (b)(6) ;Hardy, Eric;Roca-Baker, Angela;(b)(4); (b)(6) @Navient.com;(b)(4); @navient.com;Hebrank, David;Trejo, Rosa;Utz, Sarah;Wicks, Kathleen;CornerStone CM Box;(b)(4); (b)(6) Chialastri, Taneka;Smith, Lynn;Gibson, Karen;PHEAACRs (PHEAACRs@pheaa.org);(b)(4); (b)(6) Myers-Wright, Helena;(b)(4); (b)(6) Brown, Lenny;Washington, Patrice;(b)(4); (b)(6) ;Ratchford, Sabrina;Roberts, Sherika;Sipple-Asher, Bessie; @glhec; (b)(4); (b)(6) ;Walker, Lisa;(b)(4); (b)(6) ;Meoli, Nicki;(b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email;Connelly, Tammy;Battle, Cynthia;(b)(4); (b)(6)
Cc: (b)(4); (b)(6) ;Pattison, Jennifer;Wolfe, Tarynne;Allen, Heather;Galvez, Michelle;(b)(4); (b)(6) Leavitt, Katharine;(b)(4); (b)(6)
(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

Subject: CR 2785 - Requirement Clarification for CR 1492 - Updated Workbook as of 9/28/2016
Attachments: Updated Capitalization Requirements _Workbook V01.07 092016.xlsx

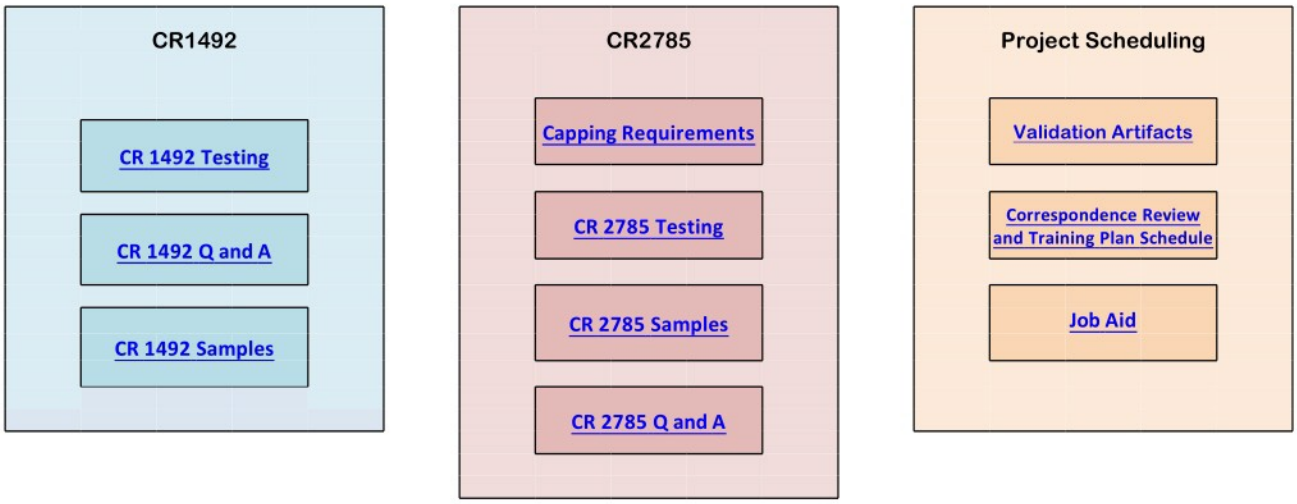
All,

Attached is the most recent updated workbook for CR 2785. This includes Q&A updates through 9/28/2016.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.09.16	V1.01	
03.10.16	V1.02	
03.21.16	V1.03	
04.06.16	V1.04	
08.22.16	V1.05	
08.23.16	V1.06	
08.26.16	V1.07	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

HOME

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**	**(Aug 2011** CR 1492) Initital Requirement
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a **processing date** of **July 31** and **effective date** of **June 30**.	(**Feb 2015** CR 2785) Clarified processing date of July 31 and an effective date of June 30
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	**(Aug 2011** CR 1492) Initital Requirement
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization processing date until the end of the deferment or forbearance, **but the effective date should still be June 30**.	(**Feb 2015** CR 2785) Clarified the effective date of the Neg Am cap should be June 30.
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	**(Aug 2011** CR 1492) Initital Requirement
5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.** **Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.*	(**Feb 2015** CR 2785) Clarified the cap should include capable interest prior to the entitlement. At the end of the capping event. Also clarified Neg Am interest should not be included in this cap .
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	**(Aug 2011** CR 1492) Initital Requirement
5065.02	Interest that accrued prior to the loan entering a period of deferment or forbearance that remains unpaid when the borrower exits the period of deferment or forbearance and capitalization is otherwise permitted, the capitalization amount may include interest that accrued prior to the loan entering the period of deferment or forbearance.	**(Aug 2011** CR 1492) Initital Requirement
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	**(Aug 2011** CR 1492) Initital Requirement
5066.01	This requirement overrides any other capitalization requirement.	**(Aug 2011** CR 1492) Initital Requirement

Capitalization Requirements (CRs 1492 and 2785)

HOME

Requirement #	Requirement	Modifications
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	**(Aug 2011** CR 1492) Initital Requirement
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	**(Aug 2011** CR 1492) Initital Requirement
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	**(Aug 2011** CR 1492) Initital Requirement
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization**	**(Aug 2011** CR 1492) Initital Requirement
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**	**(Aug 2011** CR 1492) Initital Requirement
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.	**(Aug 2011** CR 1492) Initital Requirement
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).	**(Aug 2011** CR 1492) Initital Requirement
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.	**(Aug 2011** CR 1492) Initital Requirement
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.	**(Aug 2011** CR 1492) Initital Requirement
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.	**(Aug 2011** CR 1492) Initital Requirement
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.	**(Aug 2011** CR 1492) Initital Requirement
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	**(Aug 2011** CR 1492) Initital Requirement
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	**(Aug 2011** CR 1492) Initital Requirement
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.	**(Aug 2011** CR 1492) Initital Requirement
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events**	**(Aug 2011** CR 1492) Initital Requirement

Capitalization Requirements (CRs 1492 and 2785)

HOME

Requirement #	Requirement	Modifications
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	**(Aug 2011** CR 1492) Initital Requirement
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	(**Feb 2015** CR 2785) New Requirement
5070	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	(**Feb 2015** CR 2785) New Requirement
5071	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**	(**Feb 2015** CR 2785) New Requirement
5072	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**	(**Feb 2015** CR 2785) New Requirement
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping	(**Feb 2015** CR 2785) New Requirement

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

HOME

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	

			(b)(5)
17	IBR on PFH with forb	5066	
18	G/E followed by a defer	5068	
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

HOME

HOME

(b)(5)

(b)(5)

HOME

Example #1 **Neg Am Capping**

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action		HOME
1	Mohela	(b)(5)			
2	Mohela				
3	Mohela				
4	Mohela				
5	Mohela				
6	Mohela				
7	Mohela				
8	Mohela				
9	Mohela				
10	Mohela				

11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		

			(b)(5)
14	Great Lakes	5066.01	
15	Nelnet	5072	
16	Great Lakes	5072.01	
17	Navient	General	
18	Navient	General	
19	PHEAA	Job Aid Example 8	
20	Great Lakes	Job Aid P20	
21	Aspire		
22	Nelnet	5065 (Job Aid Example 5)	
23	Aspire	General	
24	PHEAA	Implementation Plan	
25	Aspire	General	
26	Aspire	General	

27	Nelnet	Job Aid Example 4	(b)(5)
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	
33	Aspire	5065	
34	Nelnet	5023.04 (Job Aid 1)	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		

40	Navient	5065	(b)(5)
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	
48	Navient	Job Aid Example 1	
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	

53	PHEAA	5023	(b)(5)
54	PHEAA	5023	
55	PHEAA	5023	
56	CornerStone	5023	
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	
62	Nelnet	Q & A 56	
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		

66	Nelnet		(b)(5)
67	PHEAA		
68	PHEAA		
69	PHEAA		
70	Navient		
71	Navient		
72	Navient		

73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	(b)(5)
74	Nelnet	5069 5066.02	
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	

82	Navient	EA27 Change	(b)(5)
83	PHEAA		
84	Great Lakes		
85	Navient		

86	Nelnet		(b)(5)
87	Nelnet		
88	Nelnet		
89	Navient		

90	Great Lakes		(b)(5)
91	Great Lakes		
92	Great Lakes		
93	Great Lakes		
94	Great Lakes		

95	Great Lakes		(b)(5)
96	Great Lakes		
97	Great Lakes		
98	Great Lakes		
99	Great Lakes		
100	Great Lakes		
101	Great Lakes		
102	Great Lakes		

103	Great Lakes		(b)(5)
104	Great Lakes		
105	Great Lakes		
106	Great Lakes		
107	Great Lakes		
108	Navient		
109	Navient		
110	Navient		
111	Navient		
112	Navient		
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114	Navient		
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116	Navient	
117	Nelnet	
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126	Nelnet	
127	Nelnet	
128	Nelnet	

(b)(5)

129	Nelnet		(b)(5)
130	Nelnet		
131	Nelnet		
132	Nelnet		
133	Nelnet		
134	Nelnet		
135	Nelnet		
136	Nelnet		
137	Nelnet		
138	Nelnet		
139	Nelnet		
140	Navient		
141	Navient		

HOME

Capitalization Job Aid_ V02.00

HOME

HOME

Capitalization Validation Scenarios

(CR 2785)

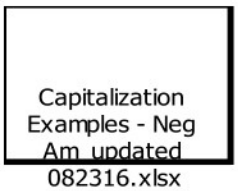
The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging)
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

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Capitalization
Examples - Neg
Am_updated
082316.xlsx

From: Jackson, Lateata
Sent: 6 Apr 2016 18:26:47 +0000
To: (b)(4); (b)(6) @glhec.org glhec; (b)(4); (b)(6) ;PHEAACRs (PHEAACRs@pheaa.org);Hammes, Cheryl; navient.com; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6) OSLA CM Email (b)(4); (b)(6) Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Bubel, Susan;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Gibson, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen; (b)(4); (b)(6)
Cc: (b)(4); (b)(6) (b)(4); (b)(6) ;Leavitt, Katharine; (b)(4); (b)(6) (b)(4); (b)(6) Pattison, Jennifer
Subject: CR 2785 - Requirement Clarification for CR 1492 - Validation Artifact Scenarios
Attachments: CR2785 Validation Scenario Information for Servicers.zip

This zip file contains the validation artifact scenario information each servicers will need to provide the Validation artifacts for CR2785.

password to follow.

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From: Jackson, Lateata
Sent: 4 Feb 2015 10:01:21 -0600
To: (b)(4); (b)(6);Battle, Cynthia;(b)(4); (b)(6);Brown, Lenny;(b)(4); (b)(6);(b)(4); (b)(6)@Navient.com;(b)(4); (b)(6)@glhec;(b)(4); (b)(6);Smith, Lynn;(b)(4); (b)(6);OSLA CM Email;(b)(4); (b)(6)Bubel, Susan;(b)(4); (b)(6)Leavitt, Katharine;(b)(4); (b)(6);EdFinancial CM Email;(b)(4); (b)(6);Oldre, Lisa;Foss, Ian;Meadows, Kim;Ratchford, Sabrina;(b)(4); (b)(6)Tkielhofer;(b)(4); (b)(6);Washington, Patrice;(b)(4); (b)(6);Connelly, Tammy
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Attachments: Servicers' Questions for CR2785.xlsx

All,

Attached is a compilation of the questions received by FSA to discuss at our meeting this afternoon.

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#	Servicer	Topic	Req.	Clarification Questions
1	(b)(5)			
2				
3				
4				
5				
6				

#	Servicer	Topic	Req.	Clarification Questions
7	(b)(5)			
8				
9				
10				
11				

#	Servicer	Topic	Req.	Clarification Questions
12	(b)(5)			
13				
14				
15				
16				
17				
18				
19				

#	Servicer	Topic	Req.	Clarification Questions
20	(b)(5)			
21				
22				
23				
24				
25				
26				

#	Servicer	Topic	Req.	Clarification Questions
27	(b)(5)			
28				
29				
30				

#	Servicer	Topic	Req.	Clarification Questions
	(b)(5)			
31				
32				
33				

#	Servicer	Topic	Req.	Clarification Questions
34	(b)(5)			
35				
36				
37				
38				
39				

#	Servicer	Topic	Req.	Clarification Questions
40	(b)(5)			

From: Jackson, Lateata
Sent: 30 Jan 2015 18:01:02 -0600
To: Leavitt, Katharine; (b)(4); (b)(6) Foss, Ian;Oldre, Lisa; (b)(4); (b)(6) Ratchford, Sabrina;Brown, Lenny; (b)(4); (b)(6) Connelly, Tammy (b)(4); (b)(6) @Navient.com;Battle, Cynthia glhec; (b)(4); (b)(6) ;OSLA CM Email; (b)(4); (b)(6) Washington, Patrice; (b)(4); (b)(6) Smith, Lynn;Bubel, Susan;Meadows, Kim; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) (b)(4); (b)(6) (b)(4); (b)(6) (b)(4); (b)(6)
Cc: (b)(4); (b)(6) (b)(4); (b)(6)
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

FSA has determined that a video conference will not be done for the meeting we have set-up on Wednesday, February 4, 2015. For this meeting, we will walk through scenarios via conference call. If at this meeting we determine that a video conference or webinar or even a face-to-face meeting would better aid us in walking through various scenarios, we will schedule a follow-up meeting more conducive to our needs.

The deadline for receiving question prior to the meeting on February 4th is today. If you have not sent in your questions by now they will not be addressed on Wednesday. FSA is reviewing what we have received and plans to address as much as we can during the 1½ hour session we have scheduled.

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(b)(4); (b)(6)

From: Jackson, Lateata
Sent: 23 Feb 2015 11:12:27 -0600
To: @glhec;(b)(4); (b)(6) Leavitt, Katharine;(b)(4); (b)(6) ;Ratchford, Sabrina;(b)(4); (b)(6) Brown, Lenny;(b)(4); (b)(6) ;Foss, Ian;'OSLA CM Email '(b)(4); (b)(6) (b)(4); (b)(6) 'Pam Chandler';(b)(4); (b)(6) (b)(4); (b)(6) ;'EdFinancial CM Email';Smith, Lynn;'(b)(4); (b)(6) ';Washington, Patrice;Meadows, Kim;(b)(4); (b)(6) Oldre, Lisa;(b)(4); (b)(6) @Navient.com;Connelly, Tammy;(b)(4); (b)(6) ';Bubel, Susan;(b)(4); (b)(6) ;Battle, Cynthia
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Attachments: Capitalization Job Aid_022315.docx, Updated Capitalization Requirements _Feb 2015.xlsx

From our clarification meeting held on 2/4/2015 FSA revised CR 2785, the Job Aid and the Q&As. We moved the Implementation date out to May 11, 2015 and asked for assessments by 2/25/2015.

Attached, is a full workbook of the CR 1495 and CR 2785 requirements, samples, Q&As etc. Additionally, we received some follow-up questions and have answered them under the CR 2785 Q&A tab. Further, a correction to the Job Aid was needed so you will find an updated version of that as well.

We are looking forward to receiving your assessments by 2/25/2015

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Federal Student Aid

Capitalization

Job Aid

2/16/2015

U.S. Department of Education

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From: Jackson, Lateata
Sent: 27 Feb 2015 08:58:11 -0600
To: Bubel, Susan;Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015
Attachments: CR 2785 GS 2-25-2015 IA.DOC, CR 2785 NAV 02-25-2015 IA Rev.docx, CR 2785 NN 02-25-2015 IA.docx, CR 2785 VS 02-25-2015 IA.doc, CR2785 GL 02-25-2015 IA.docx

Attached are the 5 assessments we received thus far. We are still waiting for PHEAA, EdFinancial, Aspire, CornerStone, OSLA and MOHELA

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Not-for-Profit (NFP) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR) #:	2785
CR Title:	Revised – Requirement Clarification for CR 1492 Revised 02/17/2015
Not for Profit:	Granite State (GSM&R)

High Level Approach:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

This CR has been modified to:

- ***Remove compliance/non-compliance check boxes***
- ***Require Impact Assessments from all contractors***
- ***Clarified Neg Am Capitalization event timing***
- ***Add requirements for Never Ever Capitalizing***
- ***Provide a Job Aid to answer questions and provide scenarios***
- ***Provide final Q&A responses***

Servicer Requirements:

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a **processing date** of **July 31** and **effective date** of **June 30**.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization processing date until the end of the deferment or forbearance, but the effective date should still be June 30.
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.

Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am* and non-capping) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.	
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	
5066.01	This requirement overrides any other capitalization requirement.	
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	

Servicer Requirements (cont.)

5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**

Servicer Requirements (cont.)

5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

Granite State Solution Summary:

(b)(5)

(b)(5)

Risks:

- N/A

Assumptions:

- The solution will be implemented on a go-forward basis; accounts that have retroactive activity processed on them will be processed using the new rules.
- Artifact scenarios will be provided in time for creation during testing.
- If the following assumptions are not correct, this will cause a change to the solution and ROM:
  - 5023.02 – Neg Am max limits are tracked separately for the PAYE repayment plan.
  - 5023.03 – Neg Am caps are not posted during periods of PFH.
  - 5065.00 – Interest accruing during "gap" between back to back periods will always cap at the next capping event.
  - 5066.00 – Interest accruing during a Neg Am period remains categorized as Neg Am if a borrower enters another repayment plan (including periods of PFH).

ROM:
(Hours/LOE ONLY. DO NOT include any cost information.)

Implementation Hours: 193 - 249

Labor Category	Function	Hours
(b)(4)		
Total		**193 - 249**

Proposed Delivery/Implementation Date:
(mm/dd/yyyy)

7/31/2015

Alternative Solution(s) Proposed:
(If Applicable)

N/A

Servicer Contact:

Name:	Phone #:	Email:
(b)(4); (b)(6)		@gsmr.org

Title IV Additional Servicers (TIVAS) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR)	2785 Issued By FSA: 2/170/2015
CR Title:	1492 Requirements Clarification
TIVAS:	☐ Great Lakes ☐ Nelnet ☐ PHEAA X Navient (SLM)
High Level Approach:	See attached document that describes our current compliance position or how we will expend development hours to meet these requirements. Such hours exclude test and contingency hours that we added due to significant uncertainty with requirement 5023.3.
Risks:	Unclear requirement necessitated at 15% contingency
Assumptions:	1. FSA has proposed an impossible implementation that is not achievable. 2. Ideal implementation is May 2016 we can discuss an earlier implementation date between late February 2016 and end of March 2016. 3. 15% contingency hours are included due to outstanding questions and to cover the uncertainty in the resolution regarding requirement 5023.03. We have asked for further detail and explanation regarding payment application and presentment post the 7/31 NEG Am capping date. 4. Significant IT testing hours are required on this complex. This is consistent with our commercial work.
ROM: *(Hours only)*	5,635 ROM Hours Breakdown of ROM hours shown below or on the attached requirements chart: CLASS Finance – 1,700 (see attached chart that aggregates hrs by requirement) CLASS Customer Service – 1,535 (See attached Chart) CARES Customer Service Module – 500 (See attached Chart) Contingency hours per assumption – 600 hours (Not included on the Chart) IT Testing (ETT) – 1,300 (~35% of Finance, CS and CARES hours) Contacts: (b)(4); (b)(6) navient.com (b)(4); (b)(6) IT Program Manager (b)(4); (b)(6) @navient.com (b)(4); (b)(6) @navient.com
Proposed Delivery Implementation Date:	5/31/2016
Alternative Solution(s): *(If Applicable)*	

CR 2785 Navient Response
The ROM hour column includes Development (coding) hours associated with the requirements they do not include the Test Support.

Requirement ID	Requirement	Describe the changes you must make to comply or state "Already Compliant"	ROM *
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.	(b)(5)	500 Hrs.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	Already Compliant	
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	(b)(5)	675 Hrs.

5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	Already Compliant	
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**		
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	Already Compliant	
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**		
5066.01	This requirement overrides any other capitalization requirement.	Already Compliant	
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	Already Compliant	
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	Already Compliant	

5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	Already Compliant	
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	Already Compliant	
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**	Already Compliant	
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.		
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).		
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.		
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.		
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.		

5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.		
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**	(b)(5)	60 Hrs.
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	Already Compliant	
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	(b)(5)	1180 Hrs.
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	Already Compliant	

5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**	(b)(5)	1200 Hrs.
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**		120 Hrs.
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping	See above	
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances	See above	

nelnet
EDUCATION LOAN SERVICING

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

Title IV Additional Servicers (TIVAS) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR) #:	2785
CR Title:	Requirement Clarification for CR 1492
TIVAS:	☐ Great Lakes ☒ Nelnet ☐ PHEAA ☐ Sallie Mae

High Level Approach:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

Servicer Requirements:

Requirement #	Requirement
5023	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively**

#1 FEDERAL LOAN SERVICER
LOWEST DEFAULT RATES FOR 2012 & 2013

Nelnet Solution Summary:

(b)(5)

- 5023.03 - Nelnet is already compliant.
- 5023.04 - Nelnet is already compliant.

(b)(5)

- 5065.01 - Nelnet is already compliant.
- 5066.00 - Nelnet is already compliant.
- 5066.01 - Nelnet is already compliant.
- 5066.02 - Nelnet is already compliant.
- 5066.03 - Nelnet is already compliant.
- 5066.04 - Nelnet is already compliant.

(b)(5)

- 5068.00 - Nelnet is already compliant.
- 5068.01 - Nelnet is already compliant.
- 5068.02 - Nelnet is already compliant.
- 5068.03 - Nelnet is already compliant.
- 5068.04 - Nelnet is already compliant.
- 5068.05 - Nelnet is already compliant.
- 5068.06 - Nelnet is already compliant.
- 5068.07 - Nelnet is already compliant.

FEDERAL LOAN SERVICER
LOWEST DEFAULT RATES FOR 2012 & 2013

Risks:

Assumptions:

(b)(5)

ROM:
(Hours/LOE ONLY. DO NOT include any cost information.)

- 5023.01 – (b)(4)
  (b)(5)
- 5023.02 – (b)(4)
  (b)(5)
- Revised 5065.00 - (b)(4) Operations
  (b)(5)
- 5067.00 – (b)(4)
  (b)(5)
- 5070.00/5071.00 – (b)(4)
  (b)(5)
- 5072.00 - 5072.02 – (b)(4)
  (b)(5)
- Artifact Creation (b)(4)

Nelnet IT Hours – (b)(4)
Nelnet Operational Hours – (b)(4)
Nelnet Total Hours – (b)(4)

nelnet
EDUCATION LOAN SERVICING

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	07/31/2015
Alternative Solution(s) Proposed: *(If Applicable)*	

Servicer Contact:

Name:	Phone #:	Email:
(b)(4); (b)(6)		@nelnet.net

Not-for Profit (NFP) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE	
Change Request (CR) #:	2785
CR Title:	1492 Requirement Clarification
Not-for-Profit:	VSAC Federal Loans

High Level Approach:

Description of Change Requested (Requirements):

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a **processing date** of **July 31** and **effective date** of **June 30**.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization processing date until the end of the deferment or forbearance, but the effective date should still be June 30.
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.

Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am* and non-capping) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**
5066.01	This requirement overrides any other capitalization requirement.
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.

5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.

5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

When providing Assessments, please assess each requirement with detail on what you will need to change and provide the ROM for that change.

Requirement ID	Requirement	Describe the changes you must make to comply or state "Already Compliant"	ROM
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**	(b)(5)	Nelnet as our System provider will do the work; hours included in Nelnet's ROM
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.		
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.		Nelnet as our System provider will do the work; hours included in Nelnet's ROM
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	• VSAC is already compliant.	
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	• VSAC is already compliant.	
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**		

5065.00	The servicer shall capitalize all outstanding, unpaid interest (excluding neg am* and non-capping) at the end of a capping deferment or forbearance period. *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.	(b)(5)	Nelnet as our System provider will do the work; hours included in Nelnet's ROM
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	• VSAC is already compliant.	
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	• VSAC is already compliant.	
5066.01	This requirement overrides any other capitalization requirement.	• VSAC is already compliant.	
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	• VSAC is already compliant.	
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	• VSAC is already compliant.	

5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	• VSAC is already compliant.	
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	(b)(5)	Nelnet as our System provider will do the work; hours included in Nelnet's ROM
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**	• VSAC is already compliant.	
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.	• VSAC is already compliant.	
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).	• VSAC is already compliant.	
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.	• VSAC is already compliant.	
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.	• VSAC is already compliant.	

5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.	• VSAC is already compliant.	
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.	• VSAC is already compliant.	
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	• VSAC is already compliant.	
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	• VSAC is already compliant.	
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.	• VSAC is already compliant.	
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**	• VSAC is already compliant.	

5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	• VSAC is already compliant.	
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	• VSAC is already compliant.	
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	(b)(5)	Nelnet as our System provider will do the work; hours included in Nelnet's ROM
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**	• See 5070.00	
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**	(b)(5)	
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping	• See 5070.00	
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances	• See 5070.00	

Risks: (b)(5)

Assumptions:	(b)(5)
ROM: *(Hours/LOE ONLY. DO NOT include any cost information.)*	**Training:** (b)(5) **Update procedures/processes:** (b)(5) **General administration and oversight:** (b)(5) **Artifact creation \ submission:** (b)(5) [115 hours total]
Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	07/31/2015

Alternative Solution(s) Proposed: *(If Applicable)*	*None* (b)(4); (b)(6)

Servicer Contact:	Name: (b)(4); (b)(6)	Phone #: (b)(6)	Email: vsac.org

Title IV Additional Servicers (TIVAS) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR) #:	CR2785
CR Title:	Requirement Clarification for CR1492
TIVAS:	☒ Great Lakes ☐ Nelnet ☐ PHEAA ☐ Sallie Mae

High Level Approach:

New/Revised Requirements

Requirement 5065.00

No system changes required to support revised requirement 5065.0.

(0 hours)

Requirements 5070.00, 5070.01

(b)(5)

Existing Capping Requirements

Requirement 5023.02

(b)(5)

	(b)(5)
Risks:	None
Assumptions:	None
ROM: *(Hours/LOE ONLY. DO NOT include any cost information.)*	1,196 hours
Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	09/01/2015: Validation Artifacts 09/30/2015: Implementation Date

Alternative Solution(s) Proposed: *(If Applicable)*	None

Servicer Contact:	Name:	Phone #:	Email:
	(b)(4); (b)(6)		@glhec.org

From: Jackson, Lateata
Sent: 10 Mar 2016 16:20:52 +0000
To:
(b)(4); (b)(6) @glhec.org; @glhec; (b)(4); (b)(6)
(b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) @navient.com; (b)(4); (b)(6)
(b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email;
(b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
(b)(4); (b)(6) OSLA CM
Email; (b)(4); (b)(6) Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Bubel, Susan;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Gibson, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen; (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point - Workbook Updated as of 03/10/2016
Attachments: Updated Capitalization Requirements _Feb 2016_Workbook V01.01.xlsx

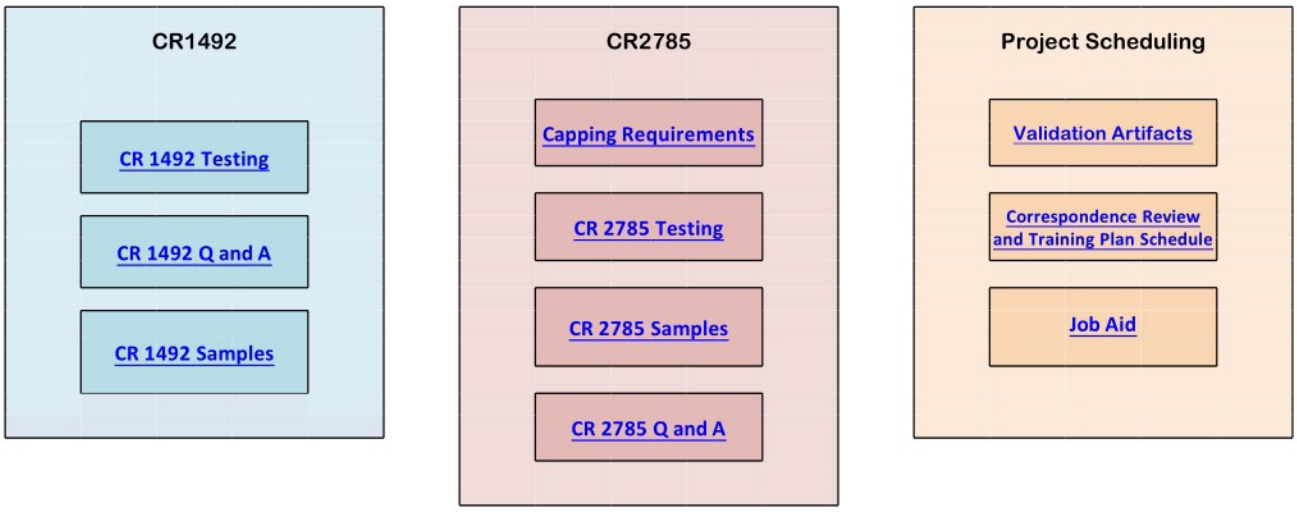
Attached is the workbook for todays call.

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La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.10.16	V1.01	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

HOME

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
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18					
19					
20					

HOME

HOME

(b)(5)

(b)(5)

HOME

Example #1 **Neg Am Capping**

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action		HOME	
1	Mohela	(b)(5)				
2	Mohela					
3	Mohela					
4	Mohela					
5	Mohela					
6	Mohela					
7	Mohela					
8	Mohela					
9	Mohela					
10	Mohela					

11	Great Lakes	(b)(5)
12	Great Lakes	
13	FedLoan	
14	FedLoan	
15	FedLoan	

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		
14	Great Lakes	5066.01		
15	Nelnet	5072		
16	Great Lakes	5072.01		
17	Navient	General		
18	Navient	General		
19	PHEAA	Job Aid Example 8		
20	Great Lakes	Job Aid P20		
21	Aspire			
22	Nelnet	5065 (Job Aid Example 5)		
23	Aspire	General		
24	PHEAA	Implementation Plan		

(b)(5)

25	Aspire	Genera
26	Aspire	Genera
27	Nelnet	Job Aid Example 4
28	Navient	Job Aid Example 5
29	Navient	Job Aid Example 7
30	Great Lakes	Job Aid P7
31	Nelnet	Job Aid P7
32	PHEAA	Job Aid Question #15
33	Aspire	5065
34	Nelnet	5023.04 (Job Aid 1
35	PHEAA	
36	PHEAA	
37	PHEAA	
38	PHEAA	
39	PHEAA	
40	Navient	5065
41	Navient	
42	Navient	
43	Nelnet	5023
44	Aspire	5023
45	Nelnet	5023.01
46	Navient	5023.01
47	Nelnet	5023.03

48	Navient	Job Aid Example 1
49	Navient	Job Aid Example 2
50	Navient	Job Aid Example 8
51	PHEAA	5023
52	PHEAA	5023
53	PHEAA	5023
54	PHEAA	5023
55	PHEAA	5023
56	CornerStone	5023
57	CornerStone	5023
58	CornerStone	Job Aid Example 2
59	Nelnet	Job Aid Example 5

(b)(5)

60	Nelnet	Job Aid Example 4
61	Nelnet	Q & A 43
62	Nelnet	Q & A 56
63	Great Lakes	Job Aid p. 19
64	Great Lakes	Job Aid p.10
65	Nelnet	
66	Nelnet	
67	PHEAA	
68	PHEAA	
69	PHEAA	
70	Navient	
71	Navient	
72	Navient	

(b)(5)

73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	(b)(5)	
74	Nelnet	5069 5066.02		
75	Nelnet	Job Aid 2/25/16 Ex #6, #7		
76	Nelnet	5065		
77	Nelnet	Job Aid 2/25/16 Ex #3		
78	Nelnet	Job Aid 2/25/16 Ex #1		
79	Nelnet	Job Aid 2/25/16 Ex #2		
80	Nelnet	Job Aid 2/25/16 Ex #3		
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01		
82	Navient	EA27 Change Proposal		

HOME

Capitalization Job Aid_022315

HOME

HOME

Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

HOME

(b)(4); (b)(6)

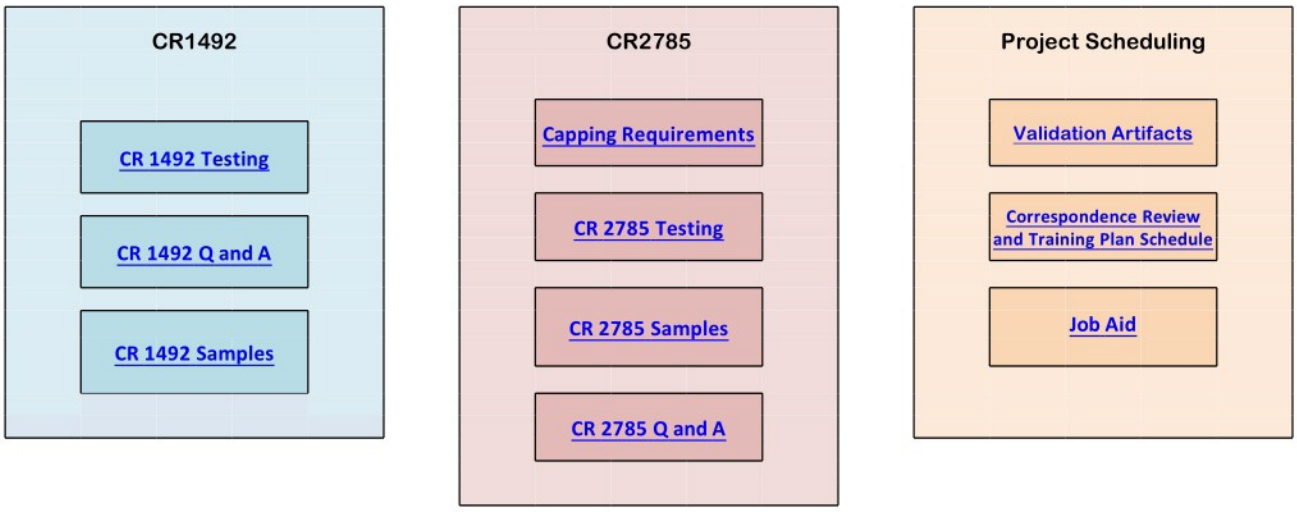
(b)(4); (b)(6)

From: Jackson, Lateata
Sent: 18 Feb 2016 19:18:45 +0000
To: (b)(4); (b)(6) @glhec.org; @glhec; (b)(4); (b)(6) (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6) OSLA CM Email; (b)(4); (b)(6) Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Bubel, Susan;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Gibson, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen
Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point Workbook as of 2/9/2016
Attachments: Updated Capitalization Requirements _Feb 2016.xlsx

Again, we will let everyone know when we have the mailbox set up to field any questions you may have on the workbook, CR 2785 or capitalization in general.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

HOME

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

HOME

(b)(5)

(b)(5)

Example #1 **Neg Am Capping**

HOME

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

HOME

11	Great Lakes	(b)(5)									
12	Great Lakes										
13	FedLoan										
14	FedLoan										
15	FedLoan										

#	Servicer	Topic	Req.	Clarification Questions	FSA Response
1	MOHELA	60-day Non-Capping	Job Aid	(b)(5)	
2	Aspire	60-day Non-Capping	Job Aid		
3	Great Lakes	60-day Non-Capping	Job Aid P3		
4	Navient	60-day Non-Capping	Job Aid Example 3		
5	PHEAA	60-day Non-Capping	Job Aid Example 3		
6	Great Lakes	60-day Non-Capping	Job Aid P23 #9		
7	Great Lakes	Disaster Forb	General		
8	Aspire	Disaster Forb	Job Aid		
9	Nelnet	EA27 Changes	5023		
10	Nelnet	EA27 Changes	General		
11	Navient	EA27 Changes			
12	Nelnet	IDR Capping ?'s	5066		
13	Great Lakes	IDR Capping ?'s	5066.01		
14	Great Lakes	IDR Capping ?'s	5066.01		
15	Nelnet	IDR Capping ?'s	5072		
16	Great Lakes	IDR Capping ?'s	5072.01		
17	Navient	IDR Capping ?'s	General		

18	Navient	**IDR Capping ?'s**	General
19	PHEAA	**IDR Capping ?'s**	Job Aid Example 8
20	Great Lakes	**IDR Capping ?'s**	Job Aid P20
21	Aspire	**IDR Capping ?'s**	
22	Nelnet	**Implementation Approach**	5065 (Job Aid Example 5)
23	Aspire	**Implementation Approach**	General
24	PHEAA	**Implementation Approach**	Implementation Plan
25	Aspire	**Implementation Approach**	General
26	Aspire	**Implementation Approach**	General
27	Nelnet	**Int Accrual/ Cap $**	Job Aid Example 4
28	Navient	**Int Accrual/ Cap $**	Job Aid Example 5
29	Navient	**Int Accrual/ Cap $**	Job Aid Example 7
30	Great Lakes	**Int Accrual/ Cap $**	Job Aid P7
31	Nelnet	**Int Accrual/ Cap $**	Job Aid P7
32	PHEAA	**Int Accrual/ Cap $**	Job Aid Question #15
33	Aspire	**Int Accrual/ Cap $**	5065
34	Nelnet	**Int Accrual/ Cap $**	5023.04 (Job Aid 1)

(b)(5)

35	PHEAA	**Int Accrual/ Cap $**	
36	PHEAA	**Int Accrual/ Cap $**	
37	PHEAA	**Int Accrual/ Cap $**	
38	PHEAA	**Int Accrual/ Cap $**	
39	PHEAA	**Int Accrual/ Cap $**	
40	Navient	**Int Accrual/ Cap $**	5065
41	Navient	**Int Accrual/ Cap $**	
42	Navient	**Int Accrual/ Cap $**	
43	Nelnet	**Neg Am Capping processing -vs- effective date**	5023
44	Aspire	**Neg Am Capping processing -vs- effective date**	5023
45	Nelnet	**Neg Am Capping processing -vs- effective date**	5023.01
46	Navient	**Neg Am Capping processing -vs- effective date**	5023.01
47	Nelnet	**Neg Am Capping processing -vs- effective date**	5023.03
48	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 1
49	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 2
50	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 8
51	PHEAA	**Neg Am Capping processing -vs- effective date**	5023

(b)(5)

52	PHEAA	**Neg Am Capping processing -vs- effective date**	5023
53	PHEAA	**Neg Am Capping processing -vs- effective date**	5023
54	PHEAA	**Neg Am Capping processing -vs- effective date**	5023
55	PHEAA	**Neg Am Capping processing -vs- effective date**	5023
56	CornerStone	**Neg Am Capping processing -vs- effective date**	5023
57	CornerStone	**Neg Am Capping processing -vs- effective date**	5023
58	CornerStone	**Neg Am Capping processing -vs- effective date**	Job Aid Example 2
59	Nelnet	**Additional Question After Clarification Meeting**	Job Aid Example 5
60	Nelnet	**Additional Question After Clarification Meeting**	Job Aid Example 4
61	Nelnet	**Additional Question After Clarification Meeting**	Q & A 43
62	Nelnet	**Additional Question After Clarification Meeting**	Q & A 56
63	Great Lakes	**Additional Question After Clarification Meeting**	Job Aid p. 19
64	Great Lakes	**Additional Question After Clarification Meeting**	Job Aid p.10

(b)(5)

HOME

Capitalization Job Aid_022315

HOME

HOME

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From: Jackson, Lateata
Sent: 27 Oct 2014 09:58:44 -0500
To: Battle, Cynthia;Foss, Ian
Cc: Oldre, Lisa;Strudgeon, George;Kim, Bora;Leavitt, Katharine;Meadows, Kim
Subject: CR 2785 - Requirements Clarifications for Interest Capitalization Practices
Attachments: CR2785 Questions.docx

Below are the Nelnet scenarios we requested and additional questions from PHEAA. Please tell me if you would like me to set-up a meeting to draft the responses or if you would like to simply respond via email.

Nelnet scenarios as requested by FSA:

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PHEAA Scenarios received:

(b)(5)

(b)(5)

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Req #	Requirement	Nelnet Questions 9/17/14	Additional Research and Examples
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with an effective date of July 31.	(b)(5)	

		(b)(5)
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	

		(b)(5)
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	

		(b)(5)	
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.		
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.		

5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**		
5066.01	This requirement overrides any other capitalization requirement.		
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.		
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.		
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	(b)(5)	
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**		

		(b)(5)	
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**		
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.		
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).		
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.		

5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.		
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.		
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5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.		
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**		
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.		

18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**		
General		(b)(5)	

From: Bubel, Susan
Sent: 26 Jan 2017 21:52:22 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian;Jackson, Lateata;Oldre, Lisa;Walsh, Mark;Yorkshire, Nikcola;Kim, Bora;Leavitt, Katharine
Subject: CR 2785 (Capping) PHEAA Platform Implementation

Good Afternoon,

Thank you to those of you that participated in the PHEAA platform walkthroughs this week for the implementation of CR 2785 (Capping). This email is a recap of these reviews, findings and follow ups.

CR2785 is a change request regarding Capping alignment among servicers due to a Corrective Action Plan(CAP) issues to Nelnet back in 2014. The CR has had a long life and MANY discussions Q&A's with the servicers. The main focus of the Change request was to ensure all servicers were handling Back to back capping events as previously addressed in CR1492 and adding requirements on how to handle interest accrued during non-capping forbearances. The interest should NEVER EVER cap. The CR also provided the servicers with a hierarchy of how to apply payments when there are multiple types of interest.

A couple of things became apparent while discussing this CR via Job Aid and Q&A's and now with their artifacts. (b)(5)

(b)(5)

(b)(5)

Notes on the Reviews/ Findings/ Follow Ups

PHEAA (Monday 01/23 9am -12pm)

(b)(5)

MOHELA (Monday 01/23 1pm -3pm)

(b)(5)

CornerStone (Wednesday 01/25 1pm -3pm)

(b)(5)

PHEAA (Thursday 01/26 9am -11am)

(b)(5)

(b)(5)

Please let me know if you have any questions on this CR or would like to see the documentation (we have a workbook with all requirements, Q&A's, Examples, Job Aids) or any of the validation artifacts.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: (b)(4); (b)(6)
Sent: 13 Feb 2017 20:44:08 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) @Navient.com;(b)(4); (b)(6)
Subject: CR 2785 NAV 1 of 4 - Artifacts - Phase 2 - Resending
Attachments: CR 2785 NAV 1 of 4 Artifacts Ph 2 - Scenario 02.zip, CR 2785 NAV - Scenario02_NegAmAccruals.zip

I understand that some of you may have had issues accessing one of the documents that was included with the Scenario 2 artifacts sent on 2/6. I am resending just that document in the following zip file – the same Navient-assigned password will open the document:

As far as the questions that were sent earlier today regarding the artifacts for phase 1, our technical team is reviewing those. Responses will be sent as soon as they've finished their review.

Let me know if you need anything else.

NAVIENT

(b)(4); (b)(6)
Director, Change Management, Title IV Servicing
2001 Edmund Halley Drive, Reston, VA 20191
(b)(6)
(b)(4); (b)(6) @Navient.com
Navient.com

From: (b)(4); (b)(6)
Sent: Monday, February 06, 2017 5:09 PM
To: Jackson, Lateata (Lateata.Jackson@ed.gov) <Lateata.Jackson@ed.gov>; CM_Validation <CM_Validation@ed.gov>
Cc: Samuels, Shaun (Shaun.Samuels@ed.gov) <Shaun.Samuels@ed.gov>; Buendia, Mario (Mario.Buendia@ed.gov) <Mario.Buendia@ed.gov>;(b)(4); (b)(6)
(b)(4); (b)(6) navient.com>;(b)(4); (b)(6) @navient.com>
Subject: CR 2785 NAV 1 of 4 - Artifacts - Phase 2

Attached is the first of four emails with the Navient artifacts for CR 2785 phase 2. The Navient-assigned password will open the documents.

Let me know if you have any questions.

(b)(4); (b)(6)
Director, Change Management, Title IV Servicing
2001 Edmund Halley Drive, Reston, VA 20191
(b)(6)
(b)(4); (b)(6) @Navient.com
Navient.com

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 28 Apr 2017 15:02:14 -0400
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: PHEAACRs;Samuels, Shaun;Buendia, Mario;(b)(4); (b)(6)
Subject: CR 2785 PH 1 of 4 - 2nd Implementation Artifacts
Attachments: 2785PH1of4.zip

Attached please find PHEAA's Validation Artifacts for CR 2785 -1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); (b)(6) pheaa.org | o:(b)(6) m:(b)(6)

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 16 Jan 2017 11:43:50 -0500
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: PHEAACRs;Samuels, Shaun;Buendia, Mario
Subject: CR 2785 PH 1 of 4 - Artifacts
Attachments: PH2785 1of4.zip

Attached please find PHEAA's Validation Artifacts for CR 2785 - 1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) m: (b)(6)

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 28 Apr 2017 15:02:51 -0400
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: PHEAACRs;Samuels, Shaun;Buendia, Mario;(b)(4); (b)(6)
Subject: CR 2785 PH 2 of 4 - 2nd Implementation Artifacts
Attachments: 2785PH2of4.zip

Attached please find PHEAA's Validation Artifacts for CR 2785 -1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); (b)(6) @pheaa.org | o: (b)(6) | m: (b)(6)

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 16 Jan 2017 11:47:31 -0500
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Subject: CR 2785 PH 2 of 4 - Artifacts
Attachments: PH2785 2of4.zip

Attached please find PHEAA's Validation Artifacts for CR 2785 - 1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
pheaa.org | o: (b)(6) m: (b)(6)

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 28 Apr 2017 15:03:25 -0400
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: PHEAACRs;Samuels, Shaun;Buendia, Mario;(b)(4); (b)(6)
Subject: CR 2785 PH 3 of 4 - 2nd Implementation Artifacts
Attachments: 2785PH3of4.zip

Attached please find PHEAA's Validation Artifacts for CR 2785 -1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); (b)(6) @pheaa.org | o:(b)(6) | m:(b)(6)

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 16 Jan 2017 11:51:24 -0500
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Subject: CR 2785 PH 3 of 4 - Artifacts
Attachments: PH2785 3of4.zip

Attached please find PHEAA's Validation Artifacts for CR 2785 - 1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 28 Apr 2017 15:03:54 -0400
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: PHEAACRs;Samuels, Shaun;Buendia, Mario;(b)(4); (b)(6)
Subject: CR 2785 PH 4 of 4 - 2nd Implementation Artifacts
Attachments: 2785PH4of4.zip

Attached please find PHEAA's Validation Artifacts for CR 2785 -1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); (b)(6)@pheaa.org | o: (b)(6) | m: (b)(6)

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 16 Jan 2017 11:55:04 -0500
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Subject: CR 2785 PH 4 of 4 - Artifacts
Attachments: PH2785 4of4.zip

Attached please find PHEAA's Validation Artifacts for CR 2785 - 1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | o: (b)(6) | m: (b)(6)

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Code:PHEAA

From: Bubel, Susan
Sent: 6 Apr 2016 15:28:27 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian
Subject: CR 2785 Q&A Preview
Attachments: Capping _CR2785 QA preview_040616.xlsx, CR2785 Requirements_FSA comments 040616.docx

Good morning all,
I have compiled the questions and drafted responses/ updates to the Q&A log for Capping (we have a meeting with the servicers tomorrow @1)
Great Lakes also sent some scenarios they wanted to review. I added my commetns. Please take a look and let me know any thoughts, comments, corrections. Also if you think it would be easier, I can schedule a quick call be fore tomorrow's meeting and we can meet to discuss.
Thanks for your help on this.
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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#	Servicer	Topic	Req.	Clarification Questions	FSA Response
68	PHEAA			(b)(5)	
73	Nelnet		5066.02 (IBR) PAYE cap req not in CR2785		
74	Nelnet		5069 5066.02		
	Nelnet				
	nelnet				
	Great Lakes				

Page 0337

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(b)(5)

of the Freedom of Information and Privacy Act

Page 0338

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Jackson, Lateata
Sent: 6 Oct 2014 15:42:51 -0500
To: Washington, Patrice;Connelly, Tammy;(b)(4); (b)(6) Onley, Nora;Whittington, Rochelle
Cc: Battle, Cynthia;Foss, Ian
Subject: CR 2785 Questions from Nelnet
Attachments: CR2785 Questions.docx

In reviewing the attached questions from Nelnet FSA requests that Nelnet provide more detail to each question and provide scenarios or examples to support the question? Further, FSA would like to refer the contractor back to the Q&As from CRs 1492 & 1827 as some of the answers they seek may be found there.

FSA requests that Nelnet resubmit their questions within 1 week (NLT 10/13/2014) so we can keep CR 2785 moving forward.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Requirement #	Requirement	Nelnet Questions 9/17/14
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**	(b)(5)
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5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	

		(b)(5)
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) Plan, the borrower’s monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.	
5065.01	Interest that accrued due to a loan’s negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	
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5066.01	This requirement overrides any other capitalization requirement.	

5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	(b)(5)
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**	

5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.	
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).	
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5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	
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5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.	
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**	
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	

18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	
General		(b)(5)

From: Bubel, Susan
Sent: 4 Feb 2015 09:48:13 -0600
To: Battle, Cynthia;Foss, Ian;Meadows, Kim;Jackson, Lateata;Oldre, Lisa
Subject: CR 2785 Requirements Checklist Attachment 020415.xlsx
Attachments: CR 2785 Requirements Checklist Attachment 020415.xlsx

All,
Sorry for the short notice, but can you all take a quick review of these scenarios to validate the servicers understanding of the requirements in CR2785 (Capping). If you all could get me your feedback by 1 that would be great!!!
Thanks,
Sue

Page 0346

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0347

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

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(b)(5)

of the Freedom of Information and Privacy Act

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
3	Borr on Neg Am doesn't cap while in defer	5023			
4	Neg Am with forb during year	5065			
5	Neg Am with Defer during year	5065			
6	IBR on PFH with forb	5066			
7	Non-Capping Forb followed by Defer	5070			
8	Defer followed by Non-Capping Forb	5070			

9	Non-capping forb followed by a capping forb	5071	(b)(5)
10	Non-capping forb followed by a capping forb with payments	5072	

Examples - based on test scenarios for 5023 and 5065

(b)(5)

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		

10	Mohela	(b)(5)
11	Great Lakes	
12	Great Lakes	
13	FedLoan	
14	FedLoan	

15	FedLoan	(b)(5)

From: Bubel, Susan
Sent: 21 Dec 2016 21:54:22 +0000
To: Jackson, Lateata
Cc: Battle, Cynthia;Foss, Ian;Chialastri, Taneka
Subject: CR 2785 UPdate for servicers
Attachments: CR 2785 Servicer Update 122116.docx

Lateata can you please send the servicers the following information regarding CR2785 ASAP?

Thanks and Happy Holidays!
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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Loss of PFH during Deferment / Forbearance

It has been brought to the attention that there is some contradiction in our response to capitalization at the time of loss of PFH during a deferment/or forbearance. FSA provided guidance earlier last week that loss of PFH should be handled the same as exiting a plan to make the processes consistent and make the process easier to handle and explain to borrowers instead of "if, then" scenarios.

Currently there are the following requirements addressing tis scenario:

5066.02	FSA CR 1492 Requirement	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.04	FSA CR 1492 Requirement	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.

With this being called out, we are assuming you all already have your systems handling the loss of PFH tis way already and at this point we will not ask you to change that logic. I apologize for the confusion, but it was an oversight that there was already a requirement addressing this scenario.

FSA has updated the responses to address the change in response.

Neg Am Clarification

With the changes in CR2785 there have been many questions regarding Neg Am accrual and clarification. As we worked through these questions and received more and more scenarios from the servicers FSA would like to propose an approach that hopefully will make handling and explaining Neg Am to borrowers easier.

If a borrower is in ICR or in the Alt Neg Am repayment plan all of the Neg Am rules apply

- Annual capping
- 10% limit
- Neg AM is not included in Deferment or forbearance capping

If a borrower leaves ICR or Alt Neg, the outstanding Neg Am interest can be treated as regular interest. It can be included in capping events and no need to track until June 30th.

FSA is looking for feedback form the servicers if they are in agreement with this approach and if there are any concerns as you all are quite a way into the CR2785 work effort and we were unsure of any changes you had made to the Neg AM interest handling based on your questions.

We are hoping this is an approach all servicers agree with and can accommodate.

Once we get confirmation of accommodation, FSA will go back through all of the Q&A's as well as the examples to be sure the approach is clear.

From: Jackson, Lateata
Sent: 14 Dec 2016 19:07:34 +0000
To: (b)(4); (b)(6) @glhec; (b)(4); (b)(6) (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) @Navient.com (b)(4); (b)(6) ;EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) (b)(4); (b)(6) OSLA CM Email; (b)(4); (b)(6) (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia;Bubel, Susan;Chialastri, Taneka;Foss, Ian
Subject: CR 2785 Workbook Updates as of 12/14/2016
Attachments: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx

(b)(4); (b)(6)

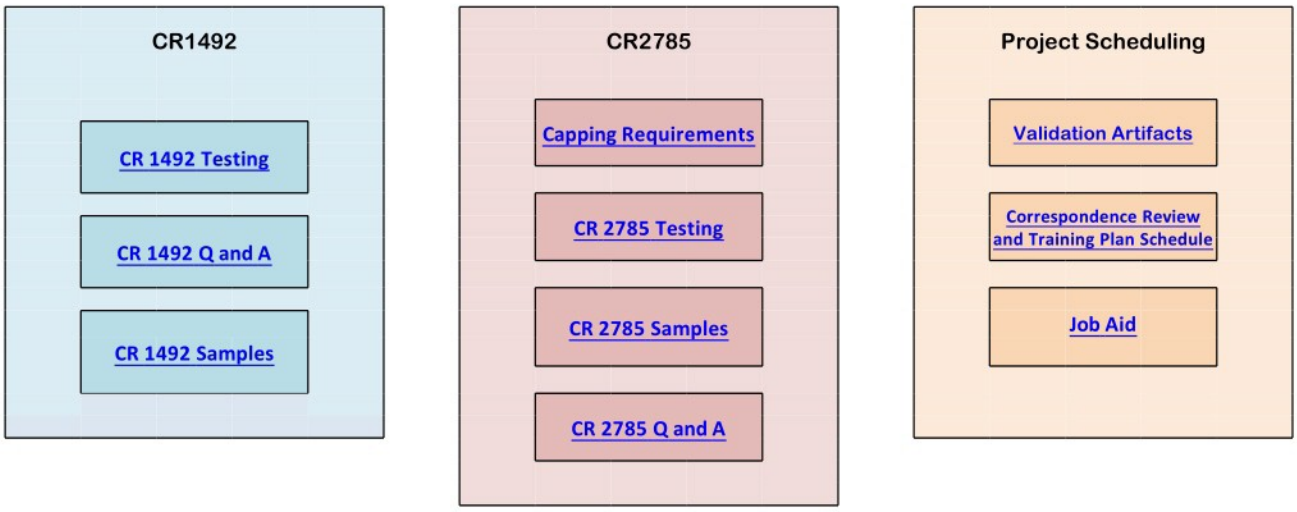
Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point is in regards to subsidy benefits. We are working to get a response to that and will send out another update once we have it.

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La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.09.16	V1.01	
03.10.16	V1.02	
03.21.16	V1.03	
04.06.16	V1.04	
08.22.16	V1.05	
08.23.16	V1.06	
08.26.16	V1.07	
10.12.16	V1.08	
10.20.16	V1.09	
12.13.16	V1.10	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

HOME

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
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20					

HOME

HOME

(b)(5)

(b)(5)

Example #1 **Neg Am Capping**

HOME

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action		HOME
1	Mohela	(b)(5)			
2	Mohela				
3	Mohela				
4	Mohela				
5	Mohela				
6	Mohela				
7	Mohela				
8	Mohela				
9	Mohela				
10	Mohela				

11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		

			(b)(5)
14	Great Lakes	5066.01	
15	Nelnet	5072	
16	Great Lakes	5072.01	
17	Navient	General	
18	Navient	General	
19	PHEAA	Job Aid Example 8	
20	Great Lakes	Job Aid P20	
21	Aspire		
22	Nelnet	5065 (Job Aid Example 5)	
23	Aspire	General	
24	PHEAA	Implementation Plan	
25	Aspire	General	
26	Aspire	General	
27	Nelnet	Job Aid Example 4	
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	

33	Aspire	5065	(b)(5)
34	Nelnet	5023.04 (Job Aid 1	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		
40	Navient	5065	
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	

48	Navient	Job Aid Example 1	(b)(5)
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	
53	PHEAA	5023	
54	PHEAA	5023	
55	PHEAA	5023	

56	CornerStone	5023	(b)(5)
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	

62	Nelnet	Q & A 56	(b)(5)
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		
66	Nelnet		
67	PHEAA		
68	PHEAA		

69	PHEAA		(b)(5)
70	Navient		
71	Navient		
72	Navient		
73	Nelnet	5066.02 (IBR PAYE cap req not in CR2785	

			(b)(5)
74	Nelnet	5069 5066.02	
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	

82	Navient	EA27 Change	(b)(5)
83	PHEAA		
84	Great Lakes		
85	Navient		

86	Nelnet		(b)(5)
87	Nelnet		
88	Nelnet		
89	Navient		
90	Great Lakes		

91	Great Lakes		(b)(5)
92	Great Lakes		
93	Great Lakes		
94	Great Lakes		
95	Great Lakes		

96	Great Lakes		(b)(5)
97	Great Lakes		
98	Great Lakes		
99	Great Lakes		
100	Great Lakes		

101	Great Lakes		(b)(5)
102	Great Lakes		
103	Great Lakes		

104	Great Lakes		(b)(5)
105	Great Lakes		
106	Great Lakes		
107	Great Lakes		
108	Navient		
109	Navient		
110	Navient		
111	Navient		
112	Navient		
113	Navient		

114	Navient		(b)(5)
115	Navient		
116	Navient		
117	Nelnet		
118	Nelnet		
119	Nelnet		
120	Nelnet		
121	Nelnet		
122	Nelnet	6	
123	Nelnet	6	
124	Nelnet	7	
125	Nelnet		
126	Nelnet		
127	Nelnet		
128	Nelnet		
129	Nelnet		
130	Nelnet		

131	Nelnet		(b)(5)
132	Nelnet		
133	Nelnet		
134	Nelnet		
135	Nelnet		
136	Nelnet		
137	Nelnet		
138	Nelnet		
139	Nelnet		
140	Navient		
141	Navient		
142	Great Lakes		
143	Navient		
144	Navient		

145	Navient		(b)(5)
146	Navient		
147	Navient		
148	Navient		
149	Navient		
150	Navient		
151	Navient		
152	Navient		
153	Navient		
154	Navient		
155	Navient		
156	Navient		

157	Navient		(b)(5)
158	Navient		
159	Navient		
160	Nelnet		
161	Nelnet		

162	Nelnet		(b)(5)
163	Nelnet		
164	Nelnet		

HOME

Capitalization Job Aid_102016

HOME

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Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

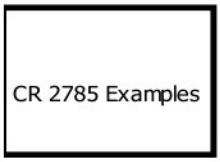
The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

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Neg Am Scenarios


CR 2785 Examples

From: Bubel, Susan
Sent: 9 Feb 2016 15:36:36 +0000
To: Battle, Cynthia;Jackson, Lateata;Foss, Ian;Chialastri, Taneka
Subject: CR 2785 workbook
Attachments: Updated Capitalization Requirements _Feb 2016.xlsx

Good morning all,
I have modified the Capping Workbook to be similar to the REPAYE one. Can you folks take a look and let me know any comments, questions, suggestions you have. I am working on updating the Job aid with the additional scenarios we discussed the last time we met on this.

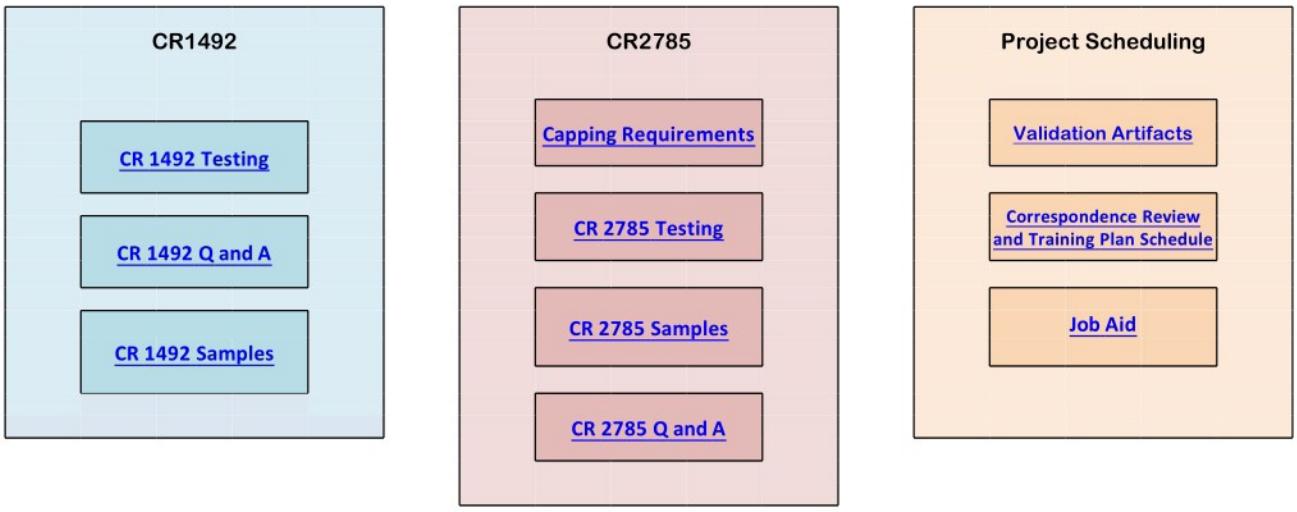
(b)(5)

Servicers:
Great Lakes (GL) **Subjects:**
PHEAA (PH) Question (Q& A)
Navient (NV) Training Materials (Training)
Nelnet (NN) Validation Artifact (Val Art)
CornerStone (CS) Correspondence (Cor)
EdFinancial (EF) Schedule (Schd)
Granite State (GS)
MOHELA (MO)
OSLA (OS)
VSAC (VS)
What do you folks think about meeting bi-weekly on Wednesdays, say 1:00? We have a Program Management meeting next Wednesday (02/17)so let's start 02/24/16.
Again any thoughts, comments, questions suggestions on this send them my way.
Thanks for your help on this.
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
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P: (202) 377-4389 | susan.bubel@ed.gov

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Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

HOME

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

HOME

(b)(5)

(b)(5)

Example #1 **Neg Am Capping**

HOME

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

HOME

11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Topic	Req.	Clarification Questions	FSA Response
1	MOHELA	60-day Non-Capping	Job Aid	(b)(5)	
2	Aspire	60-day Non-Capping	Job Aid		
3	Great Lakes	60-day Non-Capping	Job Aid P3		
4	Navient	60-day Non-Capping	Job Aid Example 3		
5	PHEAA	60-day Non-Capping	Job Aid Example 3		
6	Great Lakes	60-day Non-Capping	Job Aid P23 #9		
7	Great Lakes	Disaster Forb	General		
8	Aspire	Disaster Forb	Job Aid		
9	Nelnet	EA27 Changes	5023		
10	Nelnet	EA27 Changes	General		
11	Navient	EA27 Changes			
12	Nelnet	IDR Capping ?'s	5066		
13	Great Lakes	IDR Capping ?'s	5066.01		
14	Great Lakes	IDR Capping ?'s	5066.01		
15	Nelnet	IDR Capping ?'s	5072		
16	Great Lakes	IDR Capping ?'s	5072.01		
17	Navient	IDR Capping ?'s	General		

18	Navient	**IDR Capping ?'s**	General
19	PHEAA	**IDR Capping ?'s**	Job Aid Example 8
20	Great Lakes	**IDR Capping ?'s**	Job Aid P20
21	Aspire	**IDR Capping ?'s**	
22	Nelnet	**Implementation Approach**	5065 (Job Aid Example 5)
23	Aspire	**Implementation Approach**	General
24	PHEAA	**Implementation Approach**	Implementation Plan
25	Aspire	**Implementation Approach**	General
26	Aspire	**Implementation Approach**	General
27	Nelnet	**Int Accrual/ Cap $**	Job Aid Example 4
28	Navient	**Int Accrual/ Cap $**	Job Aid Example 5
29	Navient	**Int Accrual/ Cap $**	Job Aid Example 7
30	Great Lakes	**Int Accrual/ Cap $**	Job Aid P7
31	Nelnet	**Int Accrual/ Cap $**	Job Aid P7
32	PHEAA	**Int Accrual/ Cap $**	Job Aid Question #15
33	Aspire	**Int Accrual/ Cap $**	5065
34	Nelnet	**Int Accrual/ Cap $**	5023.04 (Job Aid 1)

(b)(5)

35	PHEAA	**Int Accrual/ Cap $**	
36	PHEAA	**Int Accrual/ Cap $**	
37	PHEAA	**Int Accrual/ Cap $**	
38	PHEAA	**Int Accrual/ Cap $**	
39	PHEAA	**Int Accrual/ Cap $**	
40	Navient	**Int Accrual/ Cap $**	5065
41	Navient	**Int Accrual/ Cap $**	
42	Navient	**Int Accrual/ Cap $**	
43	Nelnet	**Neg Am Capping processing -vs- effective date**	5023
44	Aspire	**Neg Am Capping processing -vs- effective date**	5023
45	Nelnet	**Neg Am Capping processing -vs- effective date**	5023.01
46	Navient	**Neg Am Capping processing -vs- effective date**	5023.01
47	Nelnet	**Neg Am Capping processing -vs- effective date**	5023.03
48	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 1
49	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 2
50	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 8
51	PHEAA	**Neg Am Capping processing -vs- effective date**	5023

(b)(5)

52	PHEAA	**Neg Am Capping processing -vs- effective date**	5023	(b)(5)
53	PHEAA	**Neg Am Capping processing -vs- effective date**	5023	
54	PHEAA	**Neg Am Capping processing -vs- effective date**	5023	
55	PHEAA	**Neg Am Capping processing -vs- effective date**	5023	
56	CornerStone	**Neg Am Capping processing -vs- effective date**	5023	
57	CornerStone	**Neg Am Capping processing -vs- effective date**	5023	
58	CornerStone	**Neg Am Capping processing -vs- effective date**	Job Aid Example 2	
59	Nelnet	**Additional Question After Clarification Meeting**	Job Aid Example 5	
60	Nelnet	**Additional Question After Clarification Meeting**	Job Aid Example 4	
61	Nelnet	**Additional Question After Clarification Meeting**	Q & A 43	
62	Nelnet	**Additional Question After Clarification Meeting**	Q & A 56	
63	Great Lakes	**Additional Question After Clarification Meeting**	Job Aid p. 19	
64	Great Lakes	**Additional Question After Clarification Meeting**	Job Aid p.10	

HOME

Capitalization Job Aid_022315

HOME

HOME

HOME

From: (b)(4); (b)(6)
Sent: 24 May 2017 19:38:27 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: Ratchford, Sabrina;Roberts, Sherika;Buendia, Mario;Samuels, Shaun; (b)(4); (b)(6)
Subject: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans
Attachments: CR2785 & 3835 GS 1 of 1.zip

(b)(4); (b)(6)

Good afternoon,

Please find the validation artifacts for CR 2785 and 3835 attached. The validation scenarios 1-15 were submitted to you on our behalf by our hosted system provider, however if you prefer that we submit them to complete the artifact package for Granite State please let us know. The standard password has been used to secure the zip file.

Included in this submission:

- CR 2785-3835-Interest Capitalization Counseling Procedure_GS
- CR 2785-3835-Loan Processing Capitalization Procedure_GS
- CR 2785-3835-Correspondence Crosswalk_GS
- Correspondence: 13 Letter Samples

Thank you,
Kim

(b)(4); (b)(6)
Business Systems Analyst II
Granite State Management & Resources
The NHHEAF Network Organizations
3 Barrell Court
Concord, NH 03301
T. (b)(6)
F. (b)(6)
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From: (b)(4); (b)(6)
Sent: 14 Jul 2017 14:05:01 +0000
To: Jackson, Lateata;CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Tessitore, Lisa;Walsh, Mark;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: Ratchford, Sabrina;Roberts, Sherika;Buendia, Mario;Samuels, Shaun;Bubel, Susan;Battle, Cynthia;Chialastri, Taneka;(b)(4); (b)(6) Bubel, Susan;Sara Tremaine;(b)(4); (b)(6)
Subject: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans
Attachments: CR2785-Compliance Statement_GS rev1.pdf, CR3835-Compliance Statement_GS.pdf, RE CR27853835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform PFH loans, CR27853835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform PFH loans

Good morning,

Please find attached Granite State's Compliance Statements for CR 2785 and 3835. Also attached are the pre-implementation artifacts which were submitted 5/24/2017 and 7/6/2017.

Thank you,
Kim

(b)(4); (b)(6)
Business Systems Analyst II
Granite State Management & Resources
The NHHEAF Network Organizations
3 Barrell Court
Concord, NH 03301
T.(b)(6)
F.(b)(6)
(b)(4); (b)(6) @gsmr.org
www.gsmr.org

From: (b)(4); (b)(6)
Sent: Thursday, July 06, 2017 2:49 PM
To: Jackson, Lateata; CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; DOE - Lisa Oldre; Walsh, Mark; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; Bubel, Susan; Battle, Cynthia; Chialastri, Taneka;(b)(4); (b)(6) Bubel, Susan;(b)(4); (b)(6)
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

Good afternoon Le Teata,

Please find the updated Letter – E15A 1090 attached.(b)(5)
(b)(5)

(b)(5)

Please let me know if you have any other questions.

Thank you,
Joanna

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, July 06, 2017 12:23 PM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; DOE - Lisa Oldre; Walsh, Mark; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; (b)(4); (b)(6) Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

This is great news. Please provide us a copy of the revised latter for FSA review

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
PROUD SPONSOR of the AMERICAN MIND™

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @gsmr.org]
Sent: Thursday, July 06, 2017 11:23 AM
To: Jackson, Lateata; CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Oldre, Lisa; Walsh, Mark; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

Good morning La Teata,

Granite State has reviewed the Letter – E15A 1090 provided as part of our artifacts for CR2785/3835.

(b)(5)

(b)(5)

Please let me know if you have any other questions.

Thank you,
Joanna

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Friday, June 30, 2017 6:51 AM
To: (b)(4); (b)(6); CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; DOE - Lisa Oldre; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; (b)(4); (b)(6); (b)(4); (b)(6); Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

FSA has the following comment on Granite States artifacts:

Granite State:

(b)(5)

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @gsmr.org]
Sent: Wednesday, May 24, 2017 3:38 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; (b)(4); (b)(6); (b)(4); (b)(6)
Subject: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

Good afternoon,

Please find the validation artifacts for CR 2785 and 3835 attached. The validation scenarios 1-15 were submitted to you on our behalf by our hosted system provider, however if you prefer that we submit them to complete the artifact package for Granite State please let us know. The standard password has been used to secure the zip file.

Included in this submission:

- CR 2785-3835-Interest Capitalization Counseling Procedure_GS
- CR 2785-3835-Loan Processing Capitalization Procedure_GS
- CR 2785-3835-Correspondence Crosswalk_GS
- Correspondence: 13 Letter Samples

Thank you,
Kim

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Business Systems Analyst II
Granite State Management & Resources
The NHHEAF Network Organizations
3 Barrell Court
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4 Barrell Court
PO Box 3420
Concord, NH 03302-3420

July 14, 2017

PURPOSE/OBJECTIVE

The purpose of this document is to provide a compliance statement for Change Request (CR) 2785 Requirement Clarification for CR 1492.

FSA CR DESCRIPTION

Reason for Change (Business Need):
See ["CR_2785 Revised_021715 (2)"] document.

Description of Change Requested (Requirements):
See ["CR_2785 Revised_021715 (2)"] document revised 02/17/2015:

This CR has been modified to:

- Remove compliance/non-compliance check boxes
- Require Impact Assessments from all contractors
- Clarified Neg Am Capitalization event timing
- Add requirements for Never Ever Capitalizing
- Provide a Job Aid to answer questions and provide scenarios
- Provide final Q&A responses

Zip file include revised CR, Job Aid, final Q&A responses

COMPLIANCE STATEMENT

Granite State Management & Resources (GSM&R) is in compliance with the interest capitalization and negative amortization requirements, in support of the above Change Request.

- Phase 1 was implemented on 12/14/2015
  - Requirements: 5065.00, 5070.00, 5071.00, 5072.00, 5072.01, 5072.02
- Phase 2 was implemented on 7/12/2017
  - Requirements: 5069.00 and 5069.01

(b)(6)

Signature

(b)(6)

Printed Name

AVP Loan Servicing

Title

7/14/17

Date

4 Barrell Court
PO Box 3420
Concord, NH 03302-3420

July 14, 2017

PURPOSE/OBJECTIVE

The purpose of this document is to provide a compliance statement for Change Request (CR) 3835 Companion CR for 2785_Nelnet Platform: PFH loans.

FSA CR DESCRIPTION

During the cleanup process of the Nelnet Tiger Team Issue G (Nelnet Issue C) in 2015, Nelnet was given direction by FSA to include PFH deferments as part of the criteria for determining back to back deferment scenarios. The direction given at that time is not consistent with the current direction given to the servicers through CR 2785, Requirement 5069.000.

This CR is drafted as a companion to CR2785 for Nelnet and their platform users to address the discrepancy in FSA guidance and be sure that Nelnet's solution is in compliance with CR2785.

10/5/2016 - For planning purposes, FSA is requesting servicers submit a revised assessment assessing the Level of Effort (LOE) and Rough Order of Magnitude (ROM) and proposing an appropriate implementation date if the servicers were to re-implement the barrier date functionality previously removed.

FSA is requesting that Nelnet make the necessary system changes to the PFH deferment back to back logic to achieve the expected outcome outlined in CR 2785. FSA recognizes that the direction given to Nelnet in 2015 while working the Nelnet Tiger Team issues for handling PFH deferments is inconsistent with what is described in CR 2785.

FSA is not requesting Nelnet to modify any accounts done under the clean-up process of the Tiger Team Issue G or subsequent accounts placed in that condition since based on the incorrect logic until the implementation of CR 2785 but is requesting that the servicer identify and place a system comment on the accounts that fall into this condition for future reference. The comment should read the following: Account part of the 2015 FSA TT Issue G (NN C) cleanup and contained PFH def.

4 Barrell Court
PO Box 3420
Concord, NH 03302-3420

Description of Change Requested (Requirements):
From CR2785:
5069.00 The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.

5069.01 The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement. A series of consecutive status changes (back to back) only applies to deferment and forbearance and not to PFH. This DOES NOT apply to caps between back to back deferment, forbearance and PFH periods.

COMPLIANCE STATEMENT

Granite State Management & Resources (GSM&R) is in compliance with the interest capitalization requirements for loans in a partial financial hardship, in support of the above Change Request. The requirements of the CR were implemented on 7/12/2017.

(b)(6)

Signature

(b)(6)

Printed Name

AVP Loan Servicing

Title

7/14/17

Date

From: (b)(4); (b)(6)
Sent: 6 Jul 2017 18:48:34 +0000
To: Jackson, Lateata;CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Tessitore, Lisa;Walsh, Mark;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: Ratchford, Sabrina;Roberts, Sherika;Buendia, Mario;Samuels, Shaun;Bubel, Susan;Battle, Cynthia;Chialastri, Taneka; (b)(4); (b)(6) ;Bubel, Susan; (b)(4); (b)(6)
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans
Attachments: CR 2785-3835-Letter 1090-Incme Drvn Repy Ann Ntc_GS.zip

Good afternoon Le Teata,
Please find the updated Letter - E15A 1090 attached. (b)(5)

(b)(5)

Please let me know if you have any other questions.
Thank you,
Joanna

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, July 06, 2017 12:23 PM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; DOE - Lisa Oldre; Walsh, Mark; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; (b)(4); (b)(6) Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

This is great news. Please provide us a copy of the revised latter for FSA review

La Teata Jackson
Change Management Division
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Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

Good morning La Teata,
Granite State has reviewed the Letter - E15A 1090 provided as part of our artifacts for CR2785/3835.

(b)(5)

(b)(5)

Please let me know if you have any other questions.
Thank you,
Joanna

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Friday, June 30, 2017 6:51 AM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; DOE - Lisa Oldre; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; (b)(4); (b)(6) (b)(4); (b)(6) Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

FSA has the following comment on Granite States artifacts:

Granite State:

- (b)(5)

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From: (b)(4); (b)(6) [mailto: (b)(4); (b)(6) gsmr.org]
Sent: Wednesday, May 24, 2017 3:38 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; (b)(4); (b)(6) (b)(4); (b)(6)
Subject: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

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- CR 2785-3835-Loan Processing Capitalization Procedure_GS
- CR 2785-3835-Correspondence Crosswalk_GS
- Correspondence: 13 Letter Samples

Thank you,

(b)(4); (b)(6)
Business Systems Analyst II
Granite State Management & Resources
The NHHEAF Network Organizations
3 Barrell Court

Concord, NH 03301
T. (b)(6)
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From: (b)(4); (b)(6)
Sent: 24 May 2017 19:38:26 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: Ratchford, Sabrina;Roberts, Sherika;Buendia, Mario;Samuels, Shaun; (b)(4); (b)(6) (b)(4); (b)(6)
Subject: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans
Attachments: CR2785 & 3835 GS 1 of 1.zip

Good afternoon,
Please find the validation artifacts for CR 2785 and 3835 attached. The validation scenarios 1-15 were submitted to you on our behalf by our hosted system provider, however if you prefer that we submit them to complete the artifact package for Granite State please let us know. The standard password has been used to secure the zip file.
Included in this submission:

- CR 2785-3835-Interest Capitalization Counseling Procedure_GS
- CR 2785-3835-Loan Processing Capitalization Procedure_GS
- CR 2785-3835-Correspondence Crosswalk_GS
- Correspondence: 13 Letter Samples

Thank you,

(b)(4); (b)(6)
Business Systems Analyst II
Granite State Management & Resources
The NHHEAF Network Organizations
(b)(4); (b)(6)
3 Barrell Court
Concord, NH 03301
T. (b)(6)
F. (b)(6)
@gsmr.org
www.gsmr.org

From: Bubel, Susan
Sent: 5 Jan 2017 20:06:58 +0000
To: Foss, Ian;Battle, Cynthia;Chialastri, Taneka
Subject: CR2785 Neg Am Guidance
Attachments: Re: FW: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016, FW: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016, RE: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016, RE: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Good Afternoon,

So from the responses we received, (b)(5)

(b)(5)

Please let me know by noon tomorrow if you think we should take a different approach. I have attached all of the TIVAS responses.

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
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(b)(4); (b)(6)

(b)(4); (b)(6)

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 4 Jan 2017 13:31:01 -0500
To: Jackson, Lateata
Cc: (b)(4); (b)(6) ;PHEAACRs (PHEAACRs@pheaa.org);
Subject: Re: FW: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Good Afternoon LaTeata!

(b)(5)

Please let me know if you have any questions or concerns! Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: (b)(4); (b)(6) @pheaa.org>,(b)(4); (b)(6) @pheaa.org>, "PHEAACRs (PHEAACRs@pheaa.org)" <PHEAACRs@pheaa.org>
Date: 01/04/2017 11:10 AM
Subject: [external][external]FW: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Did PHEAA have any feedback on this correction? If so, we need to hear back from you by COB today 1/4/2017.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

[cid:image001.png@01CE0EB8.2F281390]

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

_____
From: Jackson, Lateata

Sent: Thursday, December 22, 2016 12:32 PM
To: (b)(4); (b)(6)
(b)(4); (b)(6) @navient.com; (b)(4); (b)(6)
(b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org;
(b)(4); (b)(6)
(b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6)
(b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6)
(b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Please see the attached correction made by FSA

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

[cid:image001.png@01CE0EB8.2F281390]

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Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Wednesday, December 14, 2016 2:07 PM
To: (b)(4); (b)(6)
(b)(4); (b)(6) @navient.com<mailto:(b)(4); (b)(6) @navient.com>; (b)(4); (b)(6)
(b)(4); (b)(6) EdFinancial CM Email;
(b)(4); (b)(6) @gsmr.org<mailto: @gsmr.org>; (b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); OSLA CM Email ; (b)(4); (b)(6)
PHEAACRs (PHEAACRs@pheaa.org<mailto:PHEAACRs@pheaa.org>); (b)(4); (b)(6)
(b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CR 2785 Workbook Updates as of 12/14/2016

(b)(4); (b)(6)
(b)(4); (b)(6)

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point (b)(4); (b)(5) We are working to get a response to that and will send out another update once we have it.

<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

<< OLE Object: Picture (Device Independent Bitmap) >>
[cid:image001.png@01CE0EB8.2F281390]

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

(b)(4); (b)(6)

[attachment "CR 2785 Servicer Q&A Update 122116.docx" deleted by (b)(4); (b)(6) /PHEAA]

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

(b)(4); (b)(6)

From: (b)(4); (b)(6)
Sent: 3 Jan 2017 19:38:55 +0000
To: Jackson, Lateata
Cc: Battle, Cynthia;Bubel, Susan;Chialastri, Taneka;Foss, Ian; @glhec; (b)(4); (b)(6) Servicing Operations; (b)(4); (b)(6)
Subject: FW: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016
Attachments: CR 2785 Servicer Q&A Update 122116.docx

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

Lateata,

Happy New Year! Great Lakes has had an opportunity to review and discuss the attached guidance and proposed changes to the Neg Am accrual and capping rules. (b)(5)

(b)(5)

Thank you,
Jamie

(b)(4); (b)(6)

(b)(4); (b)(6) | Manager – Servicing Operations
☎ (b)(6) | Mobile (b)(6) | F: (b)(6) | ✉ @glhec.org
Great Lakes Educational Loan Services, Inc.

(b)(4); (b)(6)

(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, December 22, 2016 11:32 AM
To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Please see the attached correction made by FSA

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Change Management Division

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To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(6) (b)(6) @gsmr.org; (b)(4); (b)(6) (b)(4); OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at (b)(5) We are working to get a response to that and will send out another update once we have it.

<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

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U.S. Department of Education
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Saint Francis de Sales C.O.

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Loss of PFH during Deferment / Forbearance

It has been brought to our attention that there is some contradiction in our response to capitalization at the time of loss of PFH during a deferment/or forbearance. FSA provided guidance earlier last week that loss of PFH should be handled the same as exiting a plan to make the processes consistent and make the process easier to handle and explain to borrowers instead of "if, then" scenarios.

Currently there are the following requirements addressing this scenario:

5066.02	FSA CR 1492 Requirement	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.04	FSA CR 1492 Requirement	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.

With this being called out, we are assuming you all already have your systems handling the loss of PFH this way already and at this point we will not ask you to change that logic. I apologize for the confusion, but it was an oversight that there was already a requirement addressing this scenario.

FSA has updated the responses to address the change in response.

Neg Am Clarification

With the changes in CR2785 there have been many questions regarding Neg Am accrual and clarification. As we worked through these questions and received more and more scenarios from the servicers FSA would like to propose an approach that hopefully will make handling and explaining Neg Am to borrowers easier.

If a borrower is in ICR or in the Alt Neg Am repayment plan all of the Neg Am rules apply

- Annual capping
- 10% limit
- Neg AM is not included in Deferment or forbearance capping

If a borrower leaves ICR or Alt Neg, the outstanding Neg Am interest can be treated as regular interest. It can be included in capping events and no need to track until June 30th.

FSA is looking for feedback form the servicers if they are in agreement with this approach and if there are any concerns as you all are quite a way into the CR2785 work effort and we were unsure of any changes you had made to the Neg AM interest handling based on your questions.

We are hoping this is an approach all servicers agree with and can accommodate.

Once we get confirmation of accommodation, FSA will go back through all of the Q&A's as well as the examples to be sure the approach is clear.

From: (b)(4); (b)(6)
Sent: 5 Jan 2017 16:28:18 +0000
To: Jackson, Lateata
Cc: Battle, Cynthia;Bubel, Susan;Chialastri, Taneka;Foss, Ian; (b)(4); (b)(6)
Subject: RE: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016
Attachments: CR 2785 Servicer Q&A Update 122116.docx, Updated Capitalization Requirements _Workbook V01.10 121316.xlsx

Good Morning,

Thank you for letting us review the document and provide feedback. (b)(5)

(b)(5)

(b)(5)

- CR2785 Q & A #43

43	Nelnet	5023	(b)(5)

- CR2785 Q & A #75

75	Nelnet	Job Aid 2/25/16 Ex #6, #7	

			(b)(5)

- CR2785 Q & A #145

145	Navient		

- CR2785 Q & A #160

160	Nelnet		(b)(5)

We also have the following questions regarding this proposed change:

(b)(5)

We also have the following clarification/follow up from the recent Q and A responses (attached):

(b)(5)

Thank you,

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, December 22, 2016 11:32 AM
To: (b)(4); (b)(6) @glhec.org>; @glhec @glhec.org>; (b)(4); (b)(6) (b)(4); (b)(6) @glhec.org>; (b)(4); (b)(6) @navient.com>; @navient.com; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) @nelnet.net>; EdFinancial CM Email <EdfinancialFSAChangeReq@edfinancial.com>; (b)(4); (b)(6) (Edfinancial) @edfinancial.com>; (b)(4); (b)(6) (EDFINANCIAL) @edfinancial.com>; @gsmr.org; (b)(4); (b)(6) (b)(4); (b)(6) @gsmr.org> (b)(4); (b)(6) (OSLA) @osla.org>; (b)(4); (b)(6) OSLA) @osla.org>; (b)(4); (b)(6) (OSLA) @osla.org>; (b)(4); (b)(6) (OSLA) (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) (OSLA) @osla.org>; OSLA CM Email <OSLA-CR@osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @pheaa.org>; (b)(4); (b)(6) @pheaa.org>; PHEAACRs (PHEAACRs@pheaa.org) <PHEAACRs@pheaa.org>; (b)(4); (b)(6) @mohela.com>; (b)(4); (b)(6) @utahsbr.edu>; CornerStone CM Box <CSChangeControl@mycornerstoneloan.org>; (b)(4); (b)(6) @mycornerstoneloan.org>
Cc: Battle, Cynthia <Cynthia.Battle@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>
Subject: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Please see the attached correction made by FSA

La Teata Jackson
Change Management Division

Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
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<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

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desk - (202)377-3269

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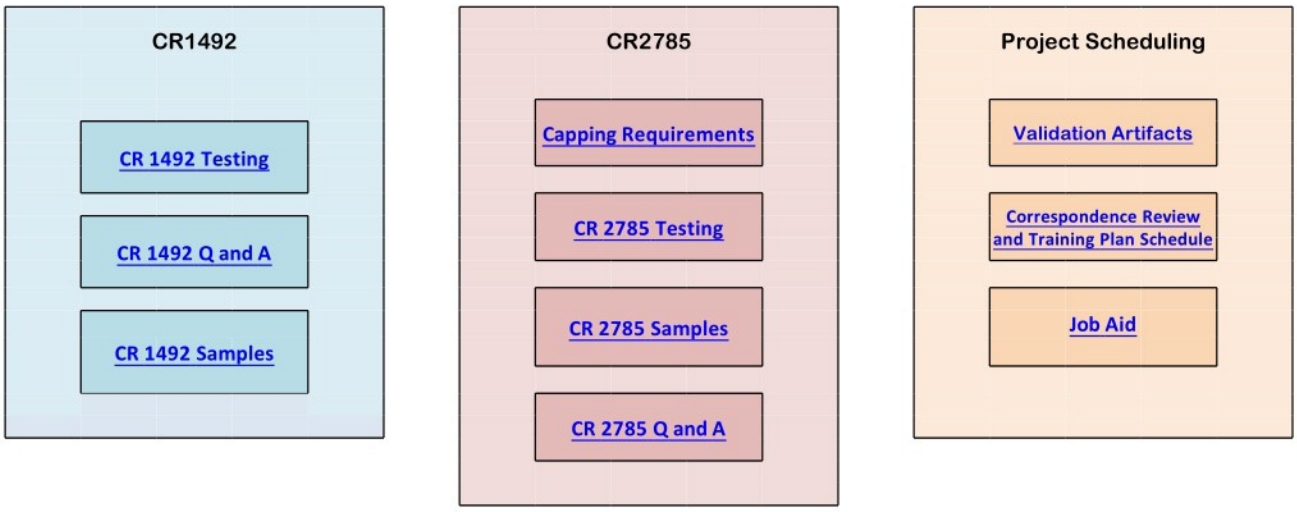
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Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.09.16	V1.01	
03.10.16	V1.02	
03.21.16	V1.03	
04.06.16	V1.04	
08.22.16	V1.05	
08.23.16	V1.06	
08.26.16	V1.07	
10.12.16	V1.08	
10.20.16	V1.09	
12.13.16	V1.10	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

HOME

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

HOME

HOME

(b)(5)

(b)(5)

HOME

Example #1 **Neg Am Capping**

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

HOME

11	Great Lakes	(b)(5)
12	Great Lakes	
13	FedLoan	
14	FedLoan	
15	FedLoan	

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		

			(b)(5)
14	Great Lakes	5066.01	
15	Nelnet	5072	
16	Great Lakes	5072.01	
17	Navient	General	
18	Navient	General	
19	PHEAA	Job Aid Example 8	
20	Great Lakes	Job Aid P20	
21	Aspire		
22	Nelnet	5065 (Job Aid Example 5)	
23	Aspire	General	
24	PHEAA	Implementation Plan	
25	Aspire	General	
26	Aspire	General	
27	Nelnet	Job Aid Example 4	
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	

			(b)(5)
33	Aspire	5065	
34	Nelnet	5023.04 (Job Aid 1)	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		
40	Navient	5065	
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	

48	Navient	Job Aid Example 1	(b)(5)
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	
53	PHEAA	5023	
54	PHEAA	5023	
55	PHEAA	5023	

56	CornerStone	5023	(b)(5)
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	

62	Nelnet	Q & A 56	(b)(5)
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		
66	Nelnet		
67	PHEAA		
68	PHEAA		

69	PHEAA		(b)(5)
70	Navient		
71	Navient		
72	Navient		
73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	

74	Nelnet	5069 5066.02	(b)(5)
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	

82	Navient	EA27 Change	(b)(5)
83	PHEAA		
84	Great Lakes		
85	Navient		

86	Nelnet		(b)(5)
87	Nelnet		
88	Nelnet		
89	Navient		
90	Great Lakes		

91	Great Lakes		(b)(5)
92	Great Lakes		
93	Great Lakes		
94	Great Lakes		
95	Great Lakes		

96	Great Lakes		(b)(5)
97	Great Lakes		
98	Great Lakes		
99	Great Lakes		
100	Great Lakes		

101	Great Lakes		(b)(5)
102	Great Lakes		
103	Great Lakes		

104	Great Lakes		(b)(5)
105	Great Lakes		
106	Great Lakes		
107	Great Lakes		
108	Navient		
109	Navient		
110	Navient		
111	Navient		
112	Navient		
113	Navient		

114	Navient		(b)(5)
115	Navient		
116	Navient		
117	Nelnet		
118	Nelnet		
119	Nelnet		
120	Nelnet		
121	Nelnet		
122	Nelnet	6	
123	Nelnet	6	
124	Nelnet	7	
125	Nelnet		
126	Nelnet		
127	Nelnet		
128	Nelnet		
129	Nelnet		
130	Nelnet		

131	Nelnet		(b)(5)
132	Nelnet		
133	Nelnet		
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136	Nelnet		
137	Nelnet		
138	Nelnet		
139	Nelnet		
140	Navient		
141	Navient		
142	Great Lakes		
143	Navient		
144	Navient		

145	Navient		(b)(5)
146	Navient		
147	Navient		
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152	Navient		
153	Navient		
154	Navient		
155	Navient		
156	Navient		

157	Navient		(b)(5)
158	Navient		
159	Navient		
160	Nelnet		
161	Nelnet		

162	Nelnet		(b)(5)
163	Nelnet		
164	Nelnet		

HOME

Capitalization Job Aid_102016

HOME

HOME

Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

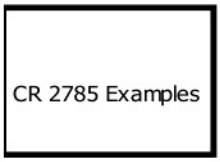
The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

HOME


Neg Am Scenarios


CR 2785 Examples

From: (b)(4); (b)(6)
Sent: 27 Dec 2016 18:29:09 +0000
To: Jackson, Lateata;Bubel, Susan;Washington, Patrice
Cc: (b)(4); (b)(6)
Subject: RE: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Lateata,
I want to ensure I'm understanding the Neg AM proposal that FSA is making, so please allow me to restate:

(b)(5)

(b)(5)

Thank you
(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, December 22, 2016 12:32 PM
To: (b)(4); (b)(6) @glhec.org>; @glhec @glhec.org>; (b)(4); (b)(6)
(b)(4); (b)(6) @glhec.org>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6)
(b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6)
(b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6)
(b)(4); (b)(6) @nelnet.net>; EdFinancial CM Email <EdfinancialFSAChangeReq@edfinancial.com>;
(b)(4); (b)(6) @edfinancial.com>; (b)(4); (b)(6) @edfinancial.com>; @gsmr.org; (b)(4); (b)(6)
(b)(4); (b)(6) @gsmr.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; OSLA CM Email <OSLA-CR@osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @pheaa.org>; (b)(4); (b)(6) @pheaa.org>; PHEAACRs (PHEAACRs@pheaa.org) <PHEAACRs@pheaa.org>; (b)(4); (b)(6) @mohela.com>; (b)(4); (b)(6) @utahsbr.edu>; CornerStone CM Box <CSChangeControl@mycornerstoneloan.org>; (b)(4); (b)(6) @mycornerstoneloan.org>

Cc: Battle, Cynthia <Cynthia.Battle@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>

Subject: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Please see the attached correction made by FSA

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata

Sent: Wednesday, December 14, 2016 2:07 PM

To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)

Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian

Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point is (b)(5) We are working to get a response to that and will send out another update once we have it.

<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

This E-Mail has been scanned for viruses.

From: Bubel, Susan
Sent: 9 Feb 2017 21:44:31 +0000
To: Jackson, Lateata
Cc: Battle, Cynthia;Chialastri, Taneka;Foss, Ian
Subject: CR2785 Walkthrough NAvient

Good afternoon La Teata,

Just wanted to be sure Navient is prepared for the walkthrough Monday. I will get you some questions I have on their artifacts tomorrow. I could not recall if all servicers were sent this information :

We would like to see a few items, similar to REPAYE. IF they have a borrower with a "back to back" scenario and show us before the capping, then age the system and see the capping event.

- Show us a retro processing scenario where a deferment or forbearance is applied with a prior start date and causes a back to back scenario, how that works
- A back to back scenario with a non-capping forbearance as part of it.(they could make this and the one before the same)
- Applying a deferment or capping forbearance after a non-capping forbearance has been applied in the past and not capped, and continues not to cap.
- Finally as we did for REPAYE the CSR view of interest/ capping buckets and how they know how to counsel , the borrower view, what the borrower sees, and go over their interest capping disclosures for the events we discuss.

For the scenarios we would want to see the interest buckets and principal balances all prior to the capping events so we can see what happens and where the money goes.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: Bubel, Susan
Sent: 23 Jan 2017 14:50:34 +0000
To: Foss, Ian
Subject: cr2785
Attachments: PHEAA CR 2785 Validation Review_01232017 FSA Notes.docx

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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PHEAA CR 2785 Validation Review

Please give us an overview of the changes you made to your system as a result of CR2785:

Our Prior Notes on PHEAA's IA

Response to PHEAA Assessment for CR2785

(b)(5)

FSA CR2785 / CR21359 - Project Staffing & High Level Delivery Dates

REQUIREMENTS ESTIMATES (HOURS)	DESIGN ESTIMATES (HOURS)		BUILD ESTIMATES (HOURS)		TESTER ESTIMATES (HOURS)
	System Area	Hours	Process	Hours	
(b)(4)					
TOTAL REQUIREMENTS HOURS 140	TOTAL DESIGN HOURS 495		TOTAL BUILD HOURS 2,243		TOTAL QA HOURS 1,475
					CR Toal 4,353

FSA Response:

(b)(4)

Total hours approved for this CR: 1,312

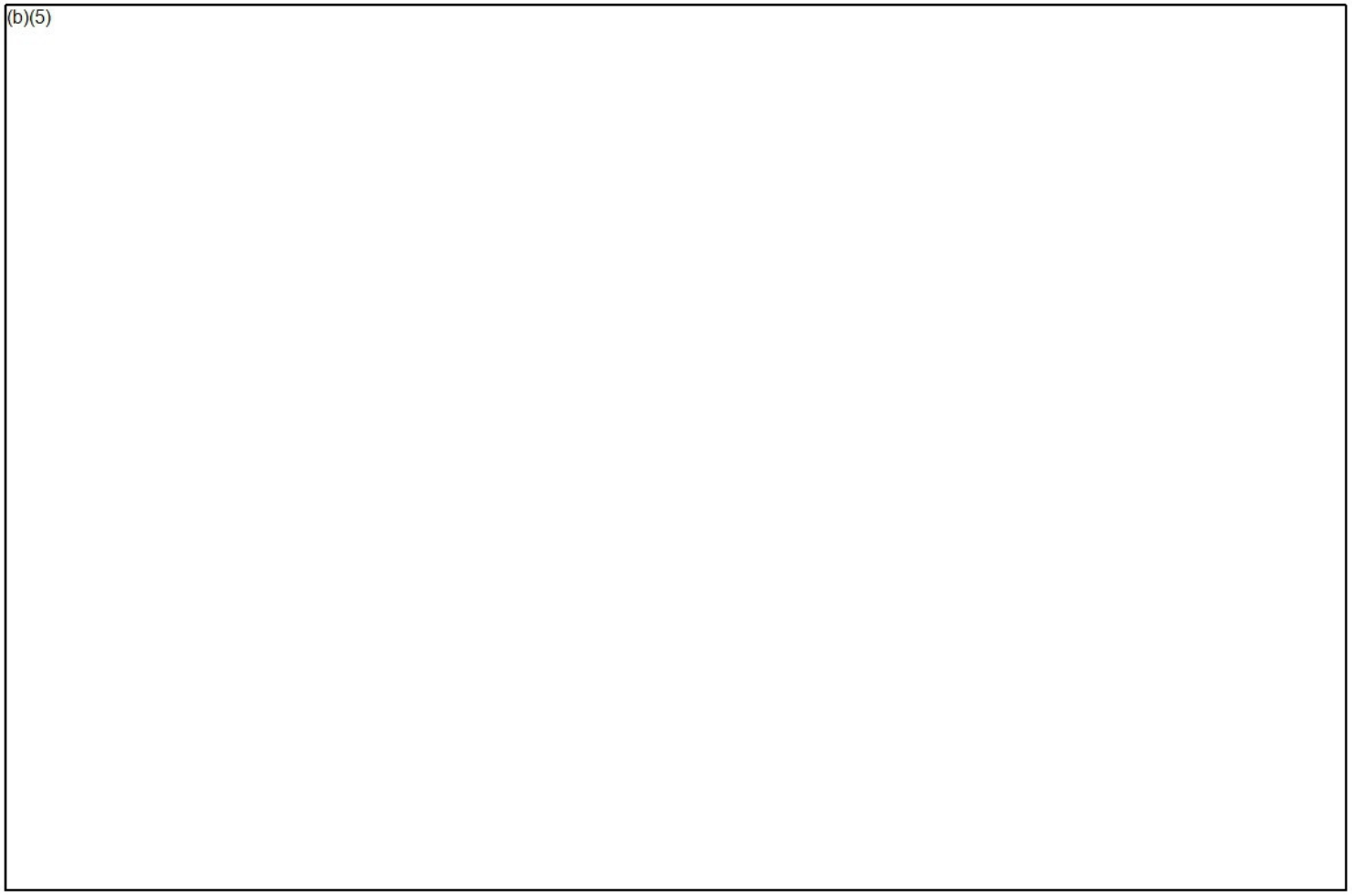
FSA feels the remaining 3,041 hours are based on system redesign based and is not covered by the changes requested in this CR.

Artifact comments:

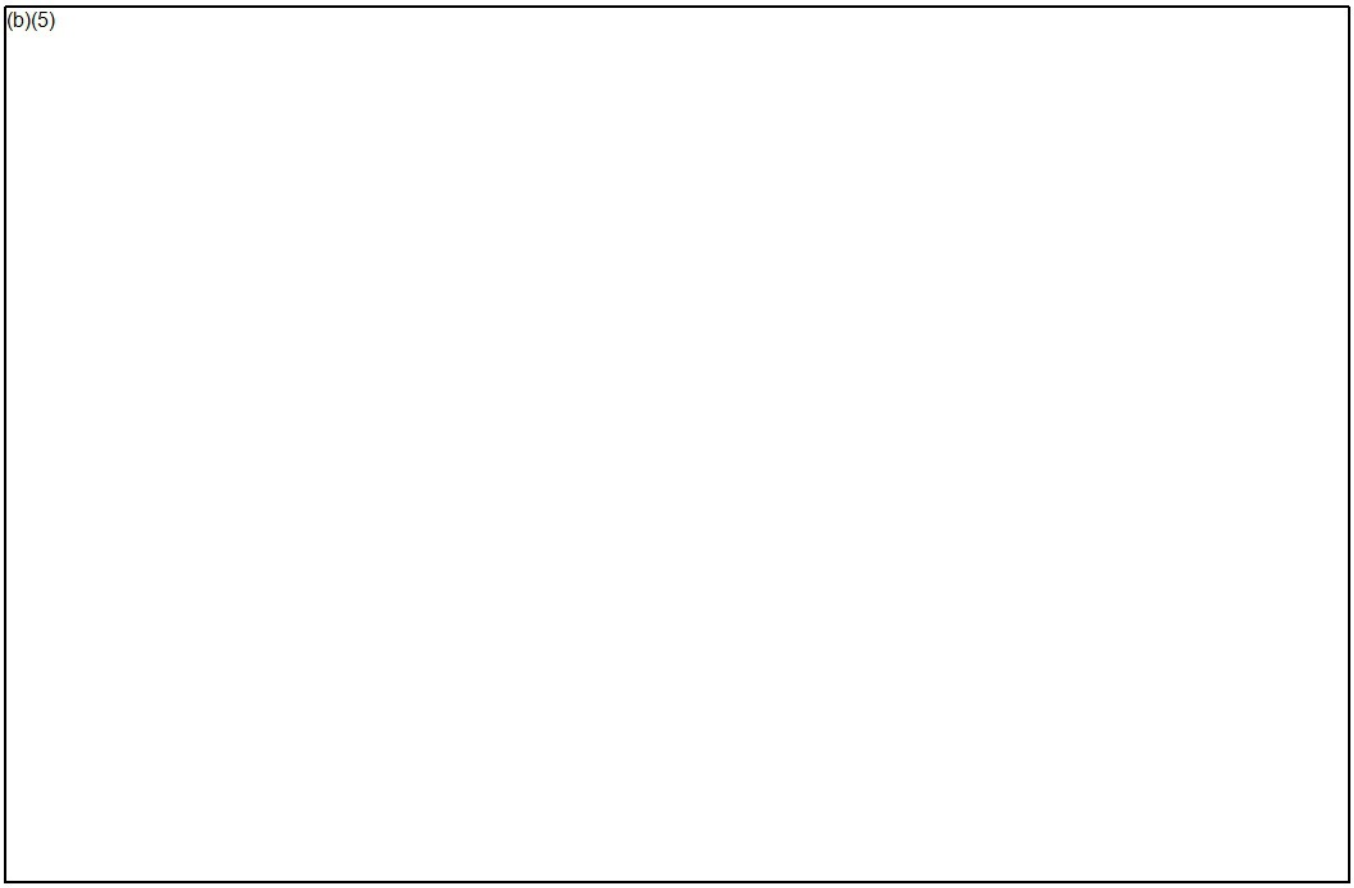
Scenario #1

(b)(5)

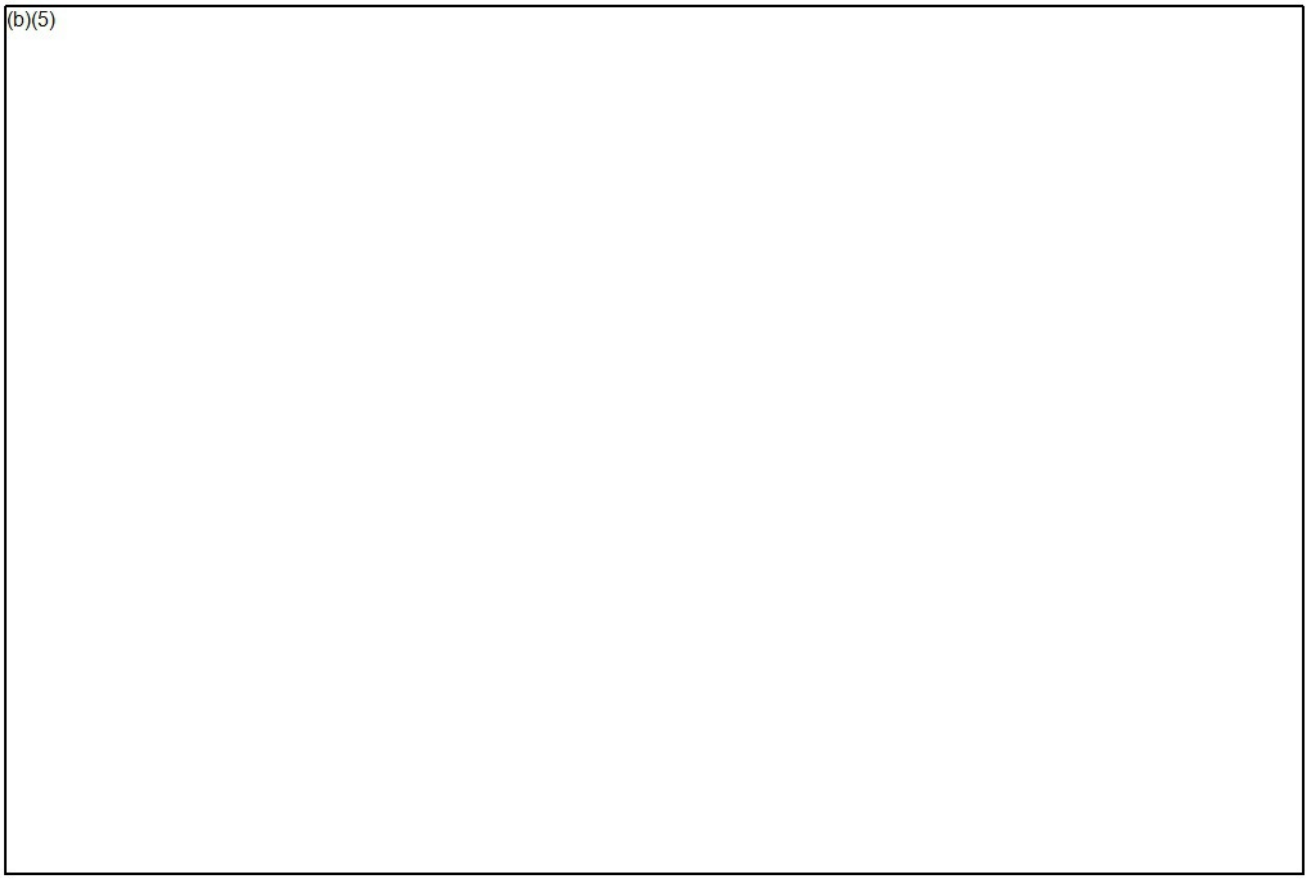
(b)(5)


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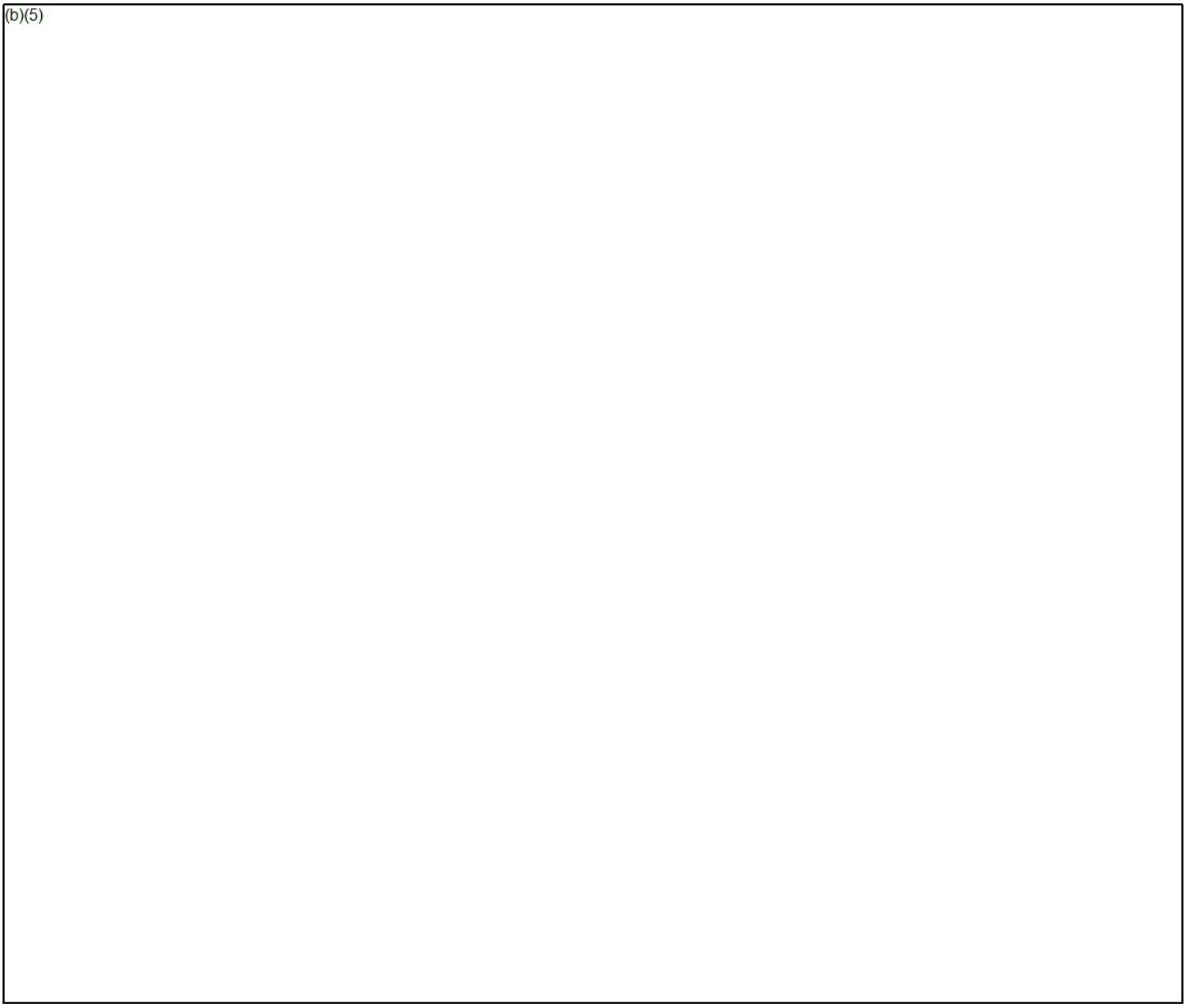
(b)(5)


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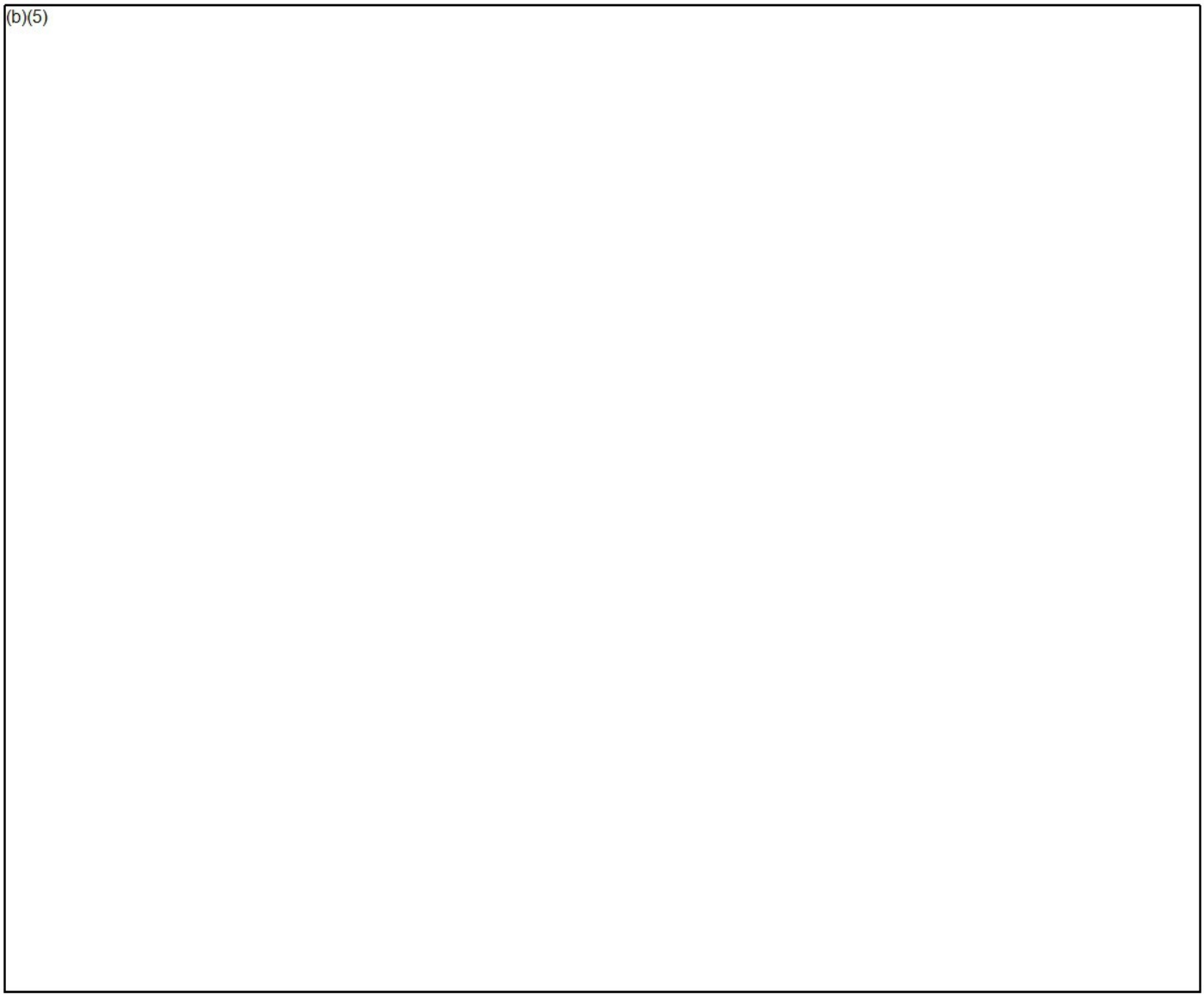
(b)(5)

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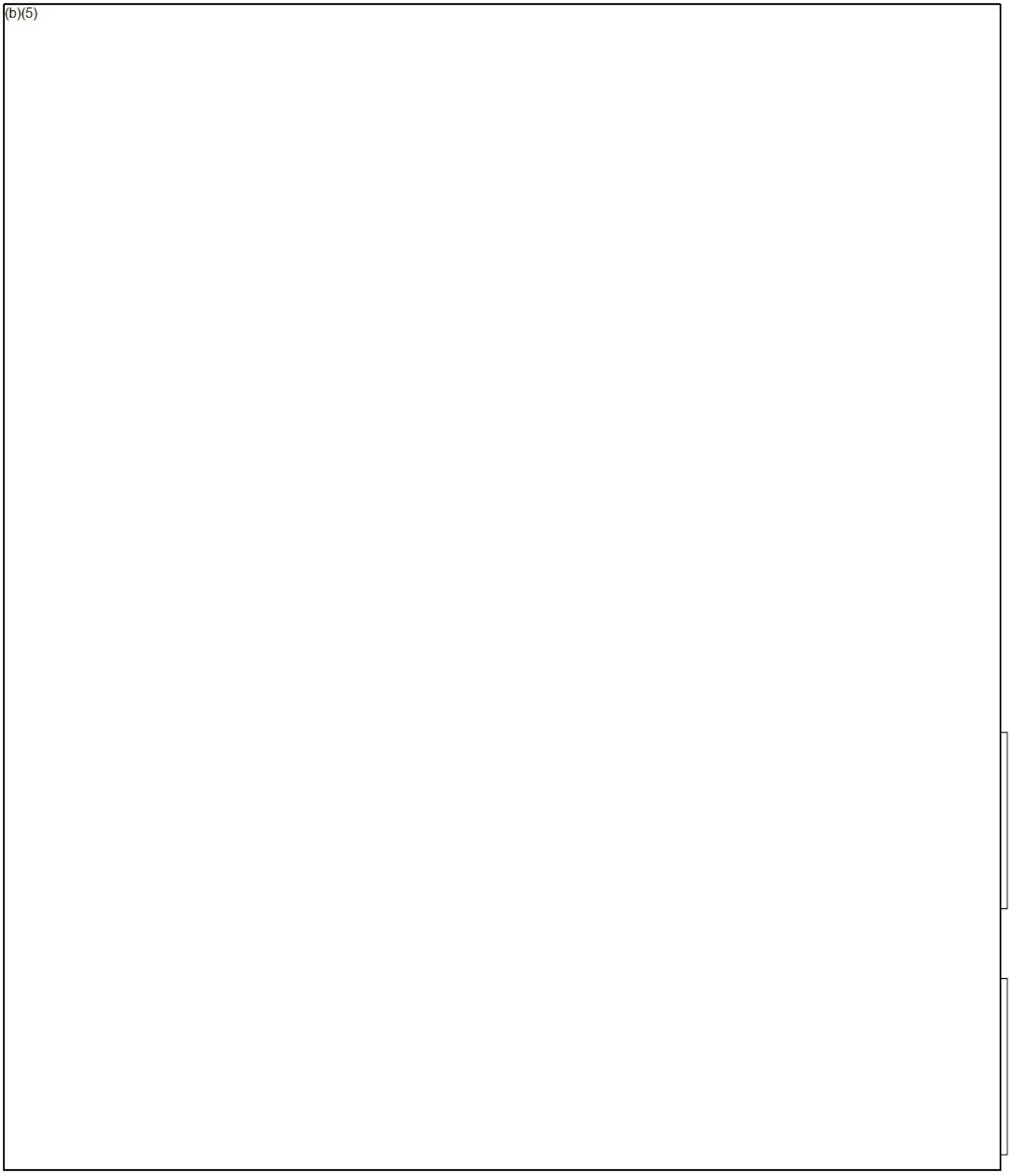

(b)(5)

Page 0511

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act


(b)(5)

(b)(5)

From: (b)(4); (b)(6)
Sent: 13 Feb 2017 15:59:36 +0000
To: Jackson, Lateata;Bubel, Susan;Battle, Cynthia;Chialastri, Taneka;(b)(4); (b)(6)
(b)(4); (b)(6) @Navient.com (b)(4); (b)(6)
(b)(4); (b)(6)
Cc: Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Tessitore, Lisa;Walsh, Mark;Mucciarone, Kirk
Subject: Document for 1:00 FSA-Navient walk-through: CR 2785 Phase 2
Attachments: CR 2785 - Walk Through 02-13-17.pptx

For today's 1:00 walk-through:

-----Original Appointment-----
From: (b)(4); (b)(6)
Sent: Thursday, February 09, 2017 4:51 PM
To: (b)(4); (b)(6) Jackson, Lateata (Lateata.Jackson@ed.gov); susan.bubel@ed.gov; Battle, Cynthia; Chialastri, Taneka; (b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6) @navient.com); (b)(4); (b)(6)
Cc: nikcola.yorkshire@ed.gov; bora.kim@ed.gov; Foss, Ian (Ian.Foss@ed.gov); Oldre, Lisa (Lisa.Oldre@ed.gov); Walsh, Mark (Mark.Walsh@ed.gov); Mucciarone, Kirk
Subject: Rescheduled: Navient walk-through for CR 2785 Phase 2
When: Monday, February 13, 2017 1:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Refer to info below

The Navient walk-through for Phase 2 of CR 2785 is being rescheduled for Monday. We appreciate everyone adjusting their schedules to accommodate this date change.

Here is the new login and the phone number (if needed):

Navient Walk Through for CR 2785 Phase 2

Mon, Feb 13, 2017 1:00 PM - 4:00 PM EST

Please join my meeting from your computer, tablet or smartphone.
https://global.gotomeeting.com/join/928523389

You can also dial in using your phone.
United States: (b)(6)

Access Code:

First GoToMeeting? Try a test session: http://help.citrix.com/getready

NAVIENT

CR 2785
Phase 2 – FSA Walk-Through

February 13, 2017

Meeting Information

CR 2785
Phase 2 – FSA Walk-through

Monday February 13, 2017 1:00 PM - 4:00 PM EST

Join from a computer, tablet or smartphone.
https://global.gotomeeting.com/join/928523389

Dial In for Phone: (b)(6)

Access Code:

First GoToMeeting? Try a test session: http://help.citrix.com/getready

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Navient Presenters

System/Functional Area	Presenter
CLASS Servicing System	(b)(4); (b)(6) (IT) (IT)
Navient Customer Website	(b)(4); (b)(6) (Bus. Systems Support)
CARES / Call Center	(b)(4); (b)(6) (IT) (Call Center) Call Center)

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Agenda

Scenarios to be Reviewed:

1. Borrower with a “back to back” entitlement scenario; before the capping, and after the account is aged to see the capping event;
2. Retro processing where a deferment or forbearance is applied with a prior start date and causes a back to back scenario;
3. A back to back scenario with a non-capping forbearance as part of it;
4. Application of a deferment or capping forbearance after a non-capping forbearance has been applied in the past and not capped, and continues not to cap;
5. The Call Center agents’ view of interest/capping buckets, how they counsel borrowers, what the borrower sees, and interest capping disclosures.

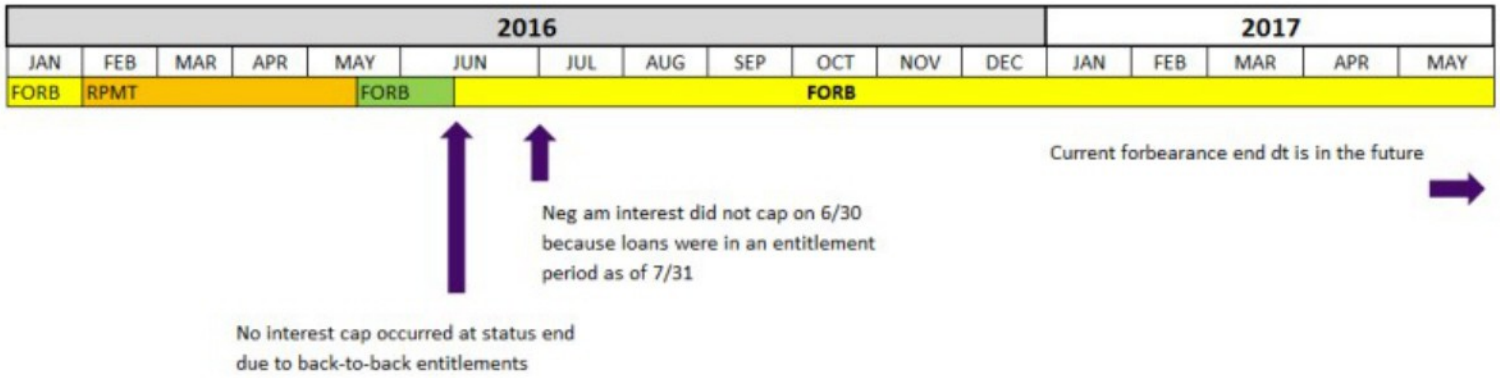
Questions

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FSA Scenario 1 for Demonstration

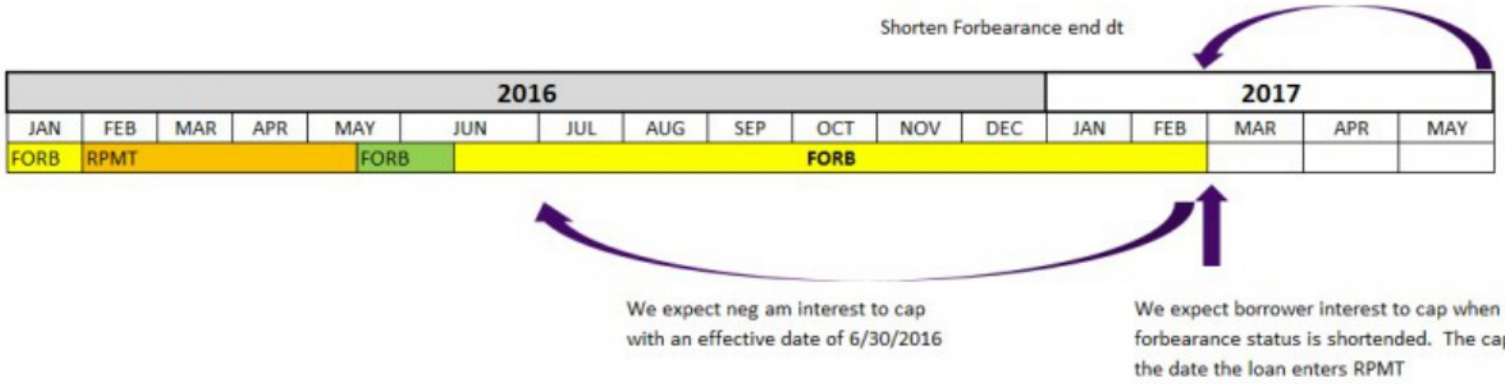
1. Borrower with a "back to back" entitlement scenario - show us the account before the cap, then age the system to see the capping event.

Before



After

Processing to take place: Shorten current forbearance to a date in the past in order to trigger capping events

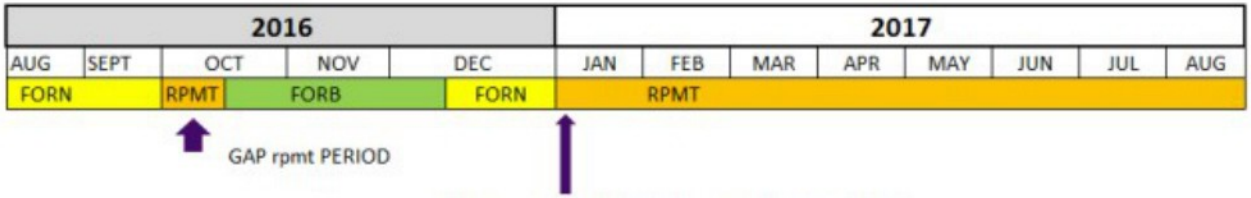


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FSA Scenario 2 for Demonstration

2. Scenario where a deferment or forbearance is applied with a prior start date and causes a back to back scenario

Before



Interest capped upon leaving non- capping status
because non-capping status was the final status in series of back-to-back statuses

Interest accrued during the non-capping status is not capped

After

Processing to take place: Add new forbearance to create back-to-back scenario with last non capping status and where end date is in the past



We expect this interest cap transaction to be zeroed out when new Forb is given

We expect a new interest cap transaction to post here when loan enters RPMT

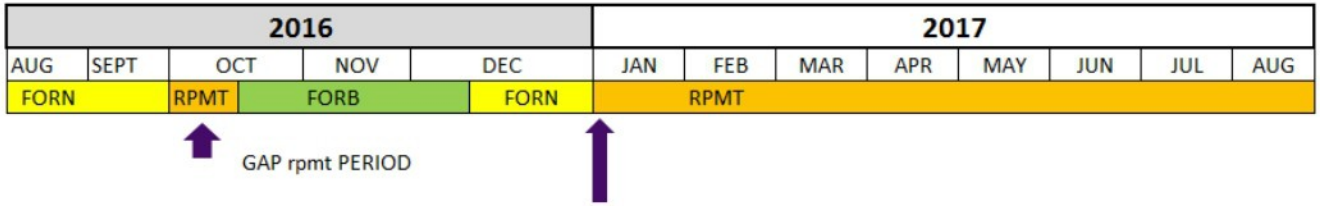
Interest accrued during the non-capping status should still not cap

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FSA Scenario 3 for Demonstration

3. A back to back scenario with a non-capping forbearance as part of it

Before

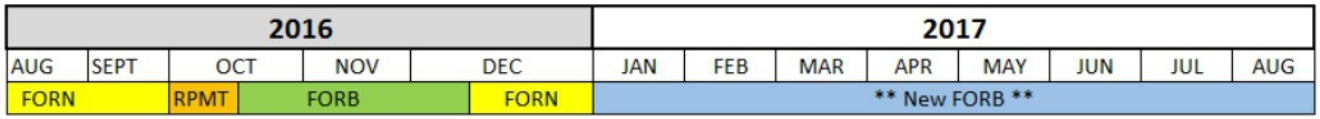


Interest capped upon leaving non- capping status
because non-capping status was the final status in series of back-to-back statuses

Interest accrued during the non-capping status is not capped

After

Processing to take place: Add new forbearance to create back-to-back scenario where end date for new entitlement period is in the future



We do not expect interest to cap until current entitlement period ends

We expect this interest cap transaction to be zeroed out when new Forb is given

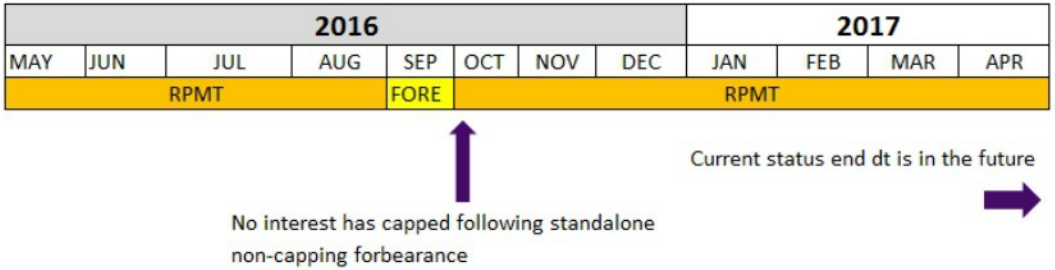
Interest accrued during the non-capping status should still not cap

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FSA Scenario 4 for Demonstration

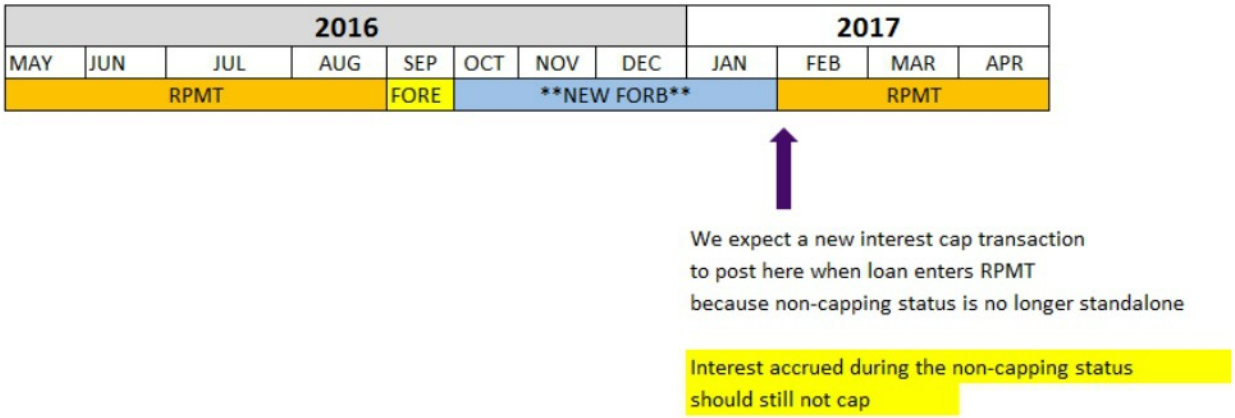
4. Application of a deferment or capping forbearance after a non-capping forbearance has been applied in the past and not capped, and continues not to cap

Before



After

Processing to take place: Add new forbearance to create back-to-back scenario where end date for new entitlement period is in the PAST



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NAVIENT

From: Bubel, Susan
Sent: 2 Dec 2016 18:53:25 +0000
To: Foss, Ian
Subject: Document in Updated Capitalization Requirements _Workbook V01.09 102016
Attachments: Document in Updated Capitalization Requirements _Workbook V01.09 102016.docx

For 2

Page 0526

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0527

Withheld pursuant to exemption

(b)(5)

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Page 0528

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Page 0529

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(b)(5)

of the Freedom of Information and Privacy Act

Page 0530

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0531

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0532

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0533

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 8 Dec 2016 18:42:25 +0000
To: Foss, Ian;Battle, Cynthia
Cc: Chialastri, Taneka
Subject: Draft Responses>>> PLease let me know if you have any comments or corrections<<<<RE: NAVI - CR 2785 QA follow-up Questions

See my responses below:

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Tuesday, December 6, 2016 8:24 PM
To: DLCapitalization
Cc: Bubel, Susan; Jackson, Lateata; Washington, Patrice; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: NAVI - CR 2785 QA follow-up Questions

Good Evening,

We have the following questions related to items on the CR 2785 QA log.

Specifically, the following 2 items are related to the pending updates from your PLI group. We understand you are awaiting feedback; however, we wanted to align and confirm what specific elements we are hoping can be confirmed in order to complete our February CR 2785 Code 2 deliverables without interruption or delay.

Req.	Clarification Question
5066	Per the Neg AM Scenarios Word Document; there are still questions outstanding regarding how to manage the capitalization of interest during a deferment or forbearance when a customer exits and expires from an Income Period (PFH or RePAYE) and or fails to recertify. We would specifically like the following scenarios concerned specific to the actionable date of the capitalization as well as the interest that should be included in the capitalization. 1) If a customer exits IBR or PAYE PFH during a deferment or forbearance the interest is immediately capitalized the day after the plan ends and for all outstanding eligible interest (accrued during PFH period and during the Deferment or Forbearance). Yes this is correct, the capping event should include all capable interest accrued up until the capping event. 2) If a customer exits IBR or PAYE Perm-STD during a deferment or forbearance (ex. moves to graduated) the interest immediately capitalizes the day after the plan ends and for all outstanding eligible interest. This is correct

3) If a customer exits RePAYE during a deferment or forbearance the interest capitalizes immediately the day after the plan ends and for all eligible outstanding interest. This is correct

4) If a customer fails to recertify IBR or PAYE PFH during a deferment or forbearance; the interest is capitalized at the conclusion of the deferment or forbearance status (or during the next capitalization occurrence in the event of back to back scenarios) and for all outstanding eligible interest. This assumption is incorrect, this is one of the items I was following up with PLI on. If a borrower fails to recertify, the interest shall capitalize at that time, not wait until the end of the deferment of forbearance. This should work the same as if a borrower changes an IDR plan during a deferment or forbearance.

5) If a customer fails to recertify RePAYE during a deferment or forbearance; the interest is capitalized immediately the day after the plan expires and for all outstanding eligible interest. This is correct

QA 38 & 39 Per the example continuation in QA 39; it appears that the FSA response is indicating that the original cap event that occurred on 3/2/15 would NOT be reversed or zeroed out based on the created back to back scenario by the deferment processing from 3/15/15 to 5/13/15 and that instead the original $200 cap on 3/2/15 would remain and a new cap of only $136.67 would occur on 5/14/15. This was not our understanding of the back to back scenario being created; it was our understanding, using the same example that the following would occur; please confirm.

1) On 3/2/15 a $200 cap would occur as the borrower entered repayment.

2) On 3/15/15 when the new deferment is added; the original $200 cap that occurred on 3/2 would be reversed as a back to back scenario was created between the forbearance that concluded on 3/1 and the deferment that began on
3/15.

3) At the conclusion of the Deferment on 5/13/15; interest would capitalize in the amount of $351.67 ($215 that accrued during the initial deferment and gap repayment period, plus the $121.67 that accrued during the 2nd gap period and the deferment).

Questions #38 and 39 Scenario is:
Cappable event followed by a non-cappable forbearance with a gap between (no bill due and less than 30 days):
- deferment from 8/25/14 - 12/22/14 - $200.00 interest accrues
- $15.00 accrues 12/23/14 - 12/31/14

- processing forbearance 1/1/15 - 3/1/15 - $100.00 interest accrues
- $200.00 interest cap applied effective 3/2/15

Using the example above, a subsequent cappable event added
- $21.67 accrues from 3/2/15 - 3/14/15
- deferment added 3/15/15 - 5/13/15- $100.00 interest accrues
On 05/14/15 there would be a capping event of $336.37 which includes,

- $200.00 from deferment
- $ 15.00 interest accrued 12/23/14 – 12/31/14
- $ 21.67 interest accrued form 03/02/15- 03/14/15
- $100.00 from deferment 03/15/15 – 05/13/15

The additional below items are requested clarification on previously answered QA items that we believe our outside of the current PLI feedback request.

5066.01 Please confirm if RePAYE is or is not treated like IBR and PAYE PFH specific to: 1) The allowance of capping events during a RePAYE period - is it treated like PFH or can interest accrued during a deferment or forbearance be capitalized? 2) Neg Am interest - does interest accrued as Neg AM interest remain as Neg AM interest - capping effective 6/30 if not satisfied, or is it treated as Regular Accrued Interest; similar to IBR or PAYE PFH?

5023.02 Please advise what would occur in the following scenario: Customer's 10% Neg AM threshold is $1000 and they have accrued $950 to date Customer is in Neg AM up to 3/1/15; at which time they enter a graduated repayment plan - As of 3/1/15 they have accrued $150 in Neg AM Interest. A 6/30 notification letter would be sent $50 would cap on 7/31 (effective 6/30) - reaching the 10% Neg AM threshold, leaving $100 in the Neg AM interest accrual

bucket.

On 8/1 the customer enters IBR-PFH: At that time, does the $100 in the Neg AM bucket over the 10% threshold in essence become regular accrued interest and will be eligible for future capitalization in the event of a Def/Forb or exiting of the IDR plan?

5023.02 Please advise what would occur in the following scenario: Customer's 10% Neg AM threshold is $1000 and they have accrued $950 to date

Customer is in Neg AM up to 3/1/15; at which time they enter a graduated repayment plan - As of 3/1/15 they have accrued $150 in Neg AM Interest. A 6/30 notification letter would be sent $50 would cap on 7/31 (effective 6/30) - reaching the 10% Neg AM threshold, leaving $100 in the Neg AM interest accrual bucket.

Assuming the customer remains in the Graduated plan - the Neg AM interest over the 10% threshold would remain as Neg AM interest until satisfied via payments w/out being included in future capitalization events as related to Def or Forb processing.

5023.02 Please advise what would occur in the following scenario: Customer's 10% Neg AM threshold is $1000 and they have accrued $950 to date

Customer is in Neg AM up to 3/1/15; at which time they enter a graduated repayment plan - As of 3/1/15 they have accrued $150 in Neg AM Interest. A 6/30 notification letter would be sent $50 would cap on 7/31 (effective 6/30) - reaching the 10% Neg AM threshold, leaving $100 in the Neg AM interest accrual bucket.

On 8/1 the customer enters RePAYE: At that time, does the $100 in the Neg AM bucket over the 10% threshold in essence become regular accrued interest and will be eligible for future capitalization in the event of a Def/Forb or exiting of the IDR plan or does it remain in the Neg AM bucket as if the customer was not entering an IDR plan?

QA 145 The response to QA 145 indicates that the interest should remain notated as Neg AM accrued interest in order for the interest to be satisfied first based on the payment application hierarchy. However, we are to capitalize and otherwise treat the interest as regular borrower accrued interest. With this in mind and the hierarchy being outlined as Neg AM, Regular Accrued and finally non-capping; it does not seem to significantly impact or benefit the borrower to maintain the interest as Neg AM interest. In the event that the interest is reclassified as Regular Accrued Interest, it would still be the 1st interest satisfied when a payment is received, as the payment allocation is still aligning to interest satisfaction first.

Thank you,

(b)(4); (b)(6) previously (b)(4);

Navient

Project Manager

(b)(6)

From: Bubel, Susan
Sent: 10 Mar 2016 13:44:53 +0000
To: Battle, Cynthia;Foss, Ian;Chialastri, Taneka
Subject: Emailing: Updated Capitalization Requirements _Feb 2016_Workbook V01.02
Attachments: Updated Capitalization Requirements _Feb 2016_Workbook V01.02.xlsx

Attached is the updated CR 2785(Capping) workbook with the 18 new questions added to the 2785 tab and the draft answers we discussed yesterday. I will update the scenarios tab with the last scenario we discussed yesterday also and if time allows we will discuss those too.

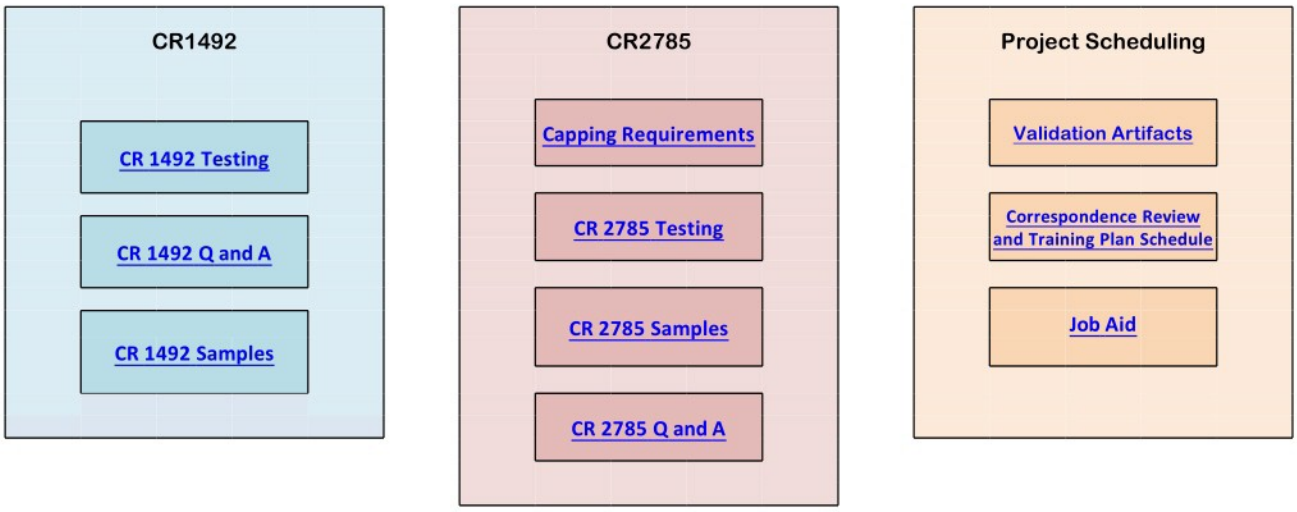
Thanks again for your time yesterday,

Sue
Your message is ready to be sent with the following file or link attachments:

Updated Capitalization Requirements _Feb 2016_Workbook V01.02

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.09.16	V1.01	
03.10.16	V1.02	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

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Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

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	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

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(b)(5)

(b)(5)

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Example #1 **Neg Am Capping**

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

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11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		

			(b)(5)
14	Great Lakes	5066.01	
15	Nelnet	5072	
16	Great Lakes	5072.01	
17	Navient	General	
18	Navient	General	
19	PHEAA	Job Aid Example 8	
20	Great Lakes	Job Aid P20	
21	Aspire		
22	Nelnet	5065 (Job Aid Example 5)	
23	Aspire	General	
24	PHEAA	Implementation Plan	
25	Aspire	General	
26	Aspire	General	

			(b)(5)
27	Nelnet	Job Aid Example 4	
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	
33	Aspire	5065	
34	Nelnet	5023.04 (Job Aid 1)	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		

			(b)(5)
40	Navient	5065	
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	
48	Navient	Job Aid Example 1	
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	

53	PHEAA	5023	(b)(5)
54	PHEAA	5023	
55	PHEAA	5023	
56	CornerStone	5023	
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	
62	Nelnet	Q & A 56	
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		

66	Nelnet		(b)(5)
67	PHEAA		
68	PHEAA		
69	PHEAA		
70	Navient		
71	Navient		
72	Navient		

73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	(b)(5)
74	Nelnet	5069 5066.02	
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	

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Capitalization Job Aid_022315

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Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when an entitlement is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back entitlements.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and Entitlement begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back entitlements	
13		Back to Back entitlements with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15			

HOME

From: Bubel, Susan
Sent: 9 Feb 2017 19:00:30 +0000
To: Battle, Cynthia;Foss, Ian;Chialastri, Taneka
Subject: Feedback on PHEAA CR 2785 Scenarios
Attachments: Feedback on PHEAA CR 2785 Scenarios.docx

Good Afternoon,

I have finally completed the entire review of PHEAA's CR2785 artifacts and (b)(5)

(b)(5)

(b)(5)

Thanks for listening, and please let me know if you have any comments, suggestions or corrections on the feedback document. I will have La Teat send it out to PHEAA tomorrow.

Sue

(b)(5)

(b)(5)

(b)(5)

(b)(4); (b)(6)

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 29 May 2015 09:17:24 -0400
To: Washington, Patrice;Connelly, Tammy;Bubel, Susan;Foss, Ian;Meadows, Kim;Battle, Cynthia;Lamphier, Katharine;Mahon, Karen;Jones, Amber
(b)(4); (b)(6) @pheaa.org; @pheaa.org
Cc: PHEAACRs; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: Follow-up: PHEAA Assessment Clarification - CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Attachments: FSA CR2785 CR21359 - Hours Spreadsheet.xlsx

Good Morning!

As promised, here is the breakdown requested on FSA CR 2785:

Please let me know if you need any additional information. Thanks!

(b)(4); (b)(6)

(b)(4); (b)(6)
Project Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | (b)(6)

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

(b)(4)

TOTAL REQUIREMENTS HOURS	140	TOTAL DESIGN HOURS	495	TOTAL BUILD HOURS	2,243	TOTAL QA HOURS	1,475
						CR Toal	4,353

From: Bubel, Susan
Sent: 13 Feb 2017 16:01:53 +0000
To: Jackson, Lateata
Cc: Battle, Cynthia;Foss, Ian;Chialastri, Taneka;Leavitt, Katharine;Oldre, Lisa;Walsh, Mark
Subject: FSA Comments on CR2785Artifacts
Attachments: FSA Comments on CR2785Artifacts.docx

La Teata,

Can you share this document with Navient. I would like to go over these questions during today's walkthrough.

Scenario # 1:

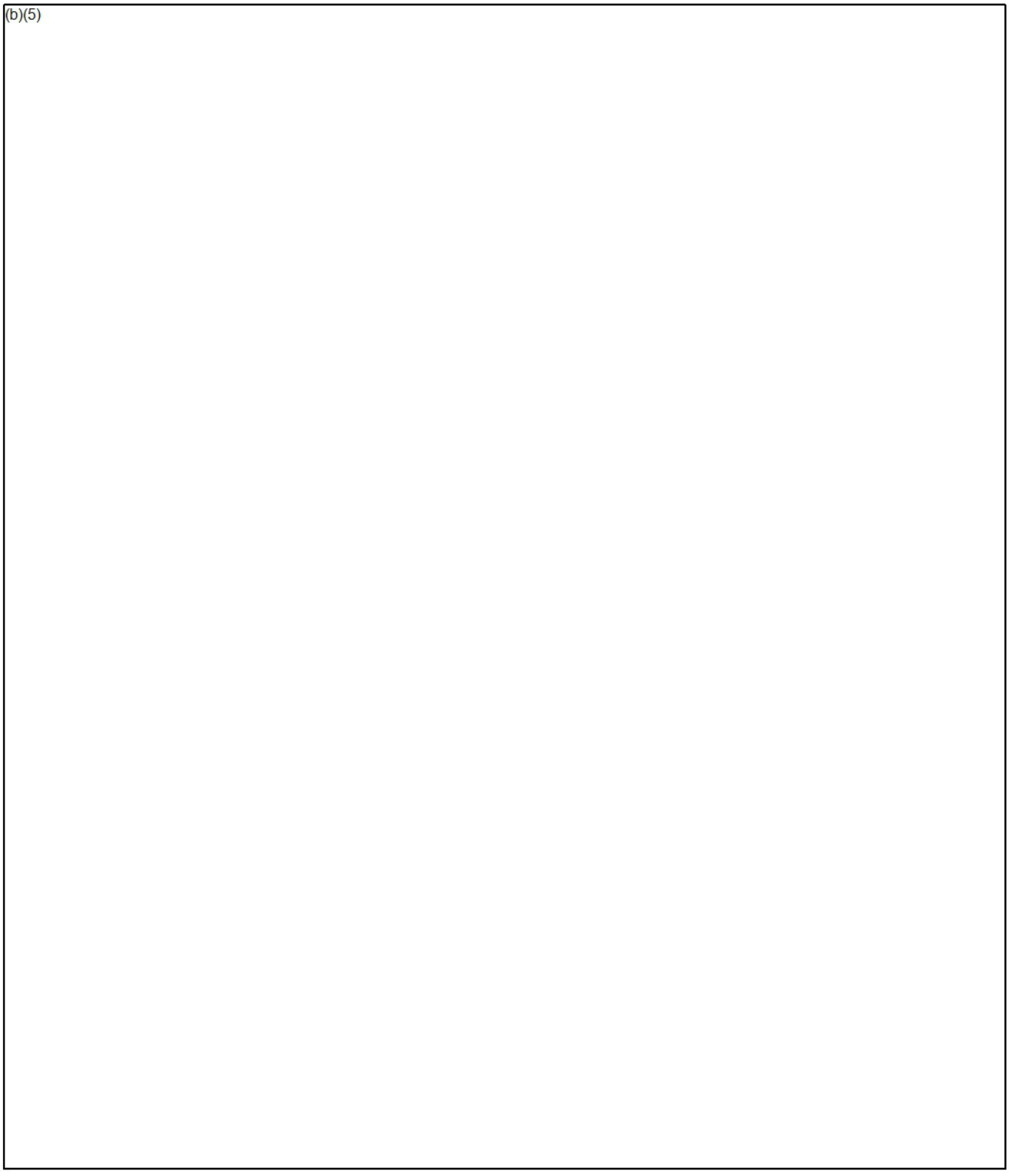
(b)(5)

Scenario #2

(b)(5)

Scenario # 3

(b)(5)


(b)(5)

(b)(5)

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 24 Jan 2017 12:39:59 -0500
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: FSA CR 2785 - PH Validation Follow-up
Attachments: FSA CR 2785 Validation Follow-up.zip

Good Afternoon!

Please review the attached, in follow-up to yesterday's validation walk through. We look forward to talking again with you on Thursday morning.

Thank you!

(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 18 May 2017 16:19:21 -0400
To: Jackson, Lateata
Cc: Bubel, Susan;Chialastri, Taneka;Kim, Bora;Foss, Ian;Tessitore, Lisa;Walsh, Mark;Battle, Cynthia;CM_Validation;Yorkshire, Nikcola;(b)(4); (b)(6) /PHEAA;(b)(4); (b)(6) /PHEAA;(b)(4); (b)(6) /PHEAA;(b)(4); (b)(6) /AES;(b)(4); (b)(6) /AES;(b)(4); (b)(6) /AES;PHEAACRs;Allen, Heather;Reaves, Michelle;Mahon, Karen;Smith, Lynn;Washington, Patrice;Espinosa, Kimberly;Johnson, Debbe;Porter, Larry;Bean, Paul
Subject: FSA CR 2785 - PHEAA NegAm - Scenario Revisions
Attachments: FSA CR 2785 - 5.18.17.zip

Good Afternoon La Teata!

As requested, attached are the revisions to Scenario #1 showing the progression of all transactions, including otherattachments for Scenario #1 such as the loan interest letter and a summary of how our current environment produces test letters.

Revisions to Scenario #2 are also included for loans 1 and 2.

As discussed, I also wanted to formally make you aware that PHEAA has pushed our planned release of the correction for NegAm to June 8, 2017.

Please advise if any further clarification is required. Thank you!

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

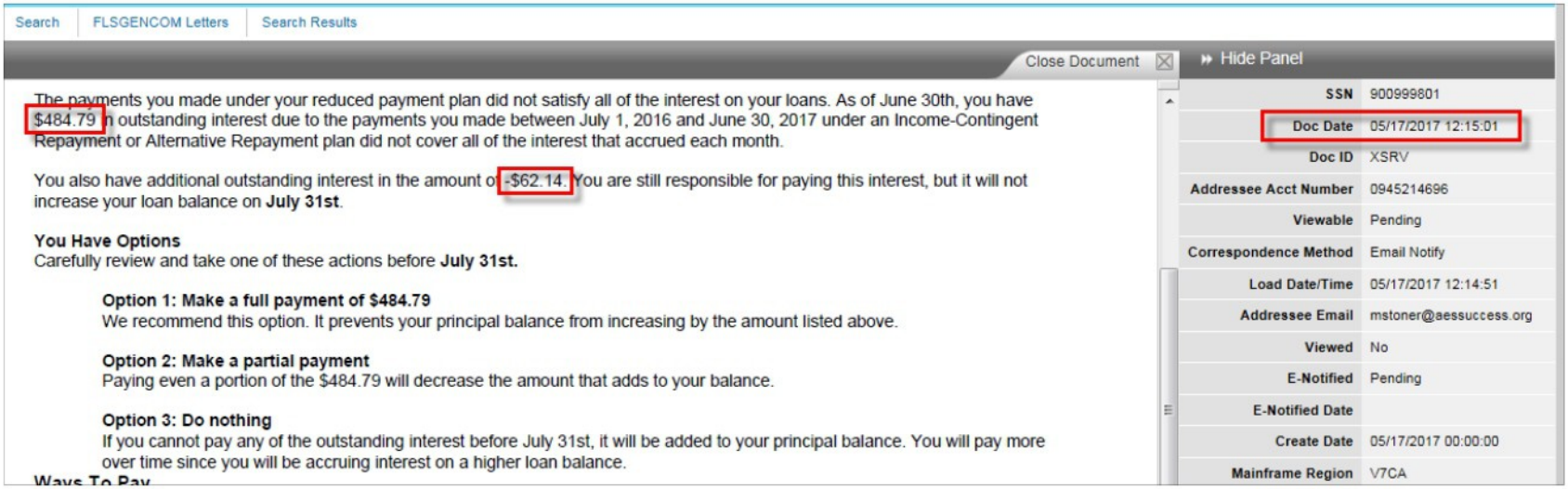
Scenario 1:

The NegAm letter communication was produced on 5/17/2017. Although we do not have a screenshot of the region on the day (yesterday), we are hoping that the mathematical explanation below will assist with providing you with confidence for how the 'Other Outstanding Interest' is pulled into the communication.

As a reminder, our current environment that produces our test letters does not have the ability to 'advance' to the necessary date to produce the NegAm communication (July). Therefore, we must complete the necessary adjustments in another environment and migrate the 'letter trigger' into the letter environment to produce the output. See additional context below as to how we validate the necessary values in the communication.

NegAm: This value is determined by the system program and stored in a table as static data. This is the annual amount of NegAm Interest that is effective 6/30 of the applicable year. The data amount that is stored in the table is sent to the letter when the letter trigger is produced. This amount would already be in the letter trigger at the time we migrate from the adjustment environment to the letter environment. Therefore, if you would produce this letter to the same borrower two days in a row, this amount would be the **same** on each letter.

Other Outstanding Interest: This value is 'resolved' by the letter itself as of the date the letter is produced. This means that the letter will reach out to an Interest program and ask for the amount when the letter is produced. This amount would not be in the letter trigger at the time we migrate from the adjustment environment to the letter environment. Therefore, if you would produce this letter to the same borrower two days in a row, this amount would be **different** on each letter.



The total amount of Outstanding Interest in the quality environment on the system is $384.41 + $40.63 = **$ 425.04**.

```
------------------------  SERVICING INFORMATION  -------------------------
INTEREST RATE:  6.800%                                  INT SUBSIDY:
NON-SUBSIDIZED INT -  ACCRUED THRU: 04/30/17  OUTSTANDING AMT:     384.41
INTEREST ACCRUED TO DATE:      40.63      SELL AT REPAY:
INT PD THRU: 11/20/16 SPEC ALLOW: Y
RL78: N MAX AMT:              AMT TO DATE:              REMAINING AMT:
CAPITALIZATION IND: Y    CAPPED INT PRIOR TO LOAN ADD: YES    DATE: 01/08/13
BBP PGM: DLR REBATE      EFT REDUCTION OFFERED:  0.250%
RPY OPT:                                  REHAB: N REHAB SCHD: _ __________
10% CAP LMT:   1,200.00  CAPPED TO DATE:       0.00 REHAB INSTALL: __________
```

The total amount of Interest in the letter (including NegAm Interest) is **$422.65**

Loan Information

Loan Program	Disbursement Date	Current Principal Balance	Interest Rate	Total Outstanding Interest
DLUNST	10/21/2011	$12,828.85	6.800%	$422.65
			Total Outstanding Interest (for all loans listed above)	**$422.65**

The difference? If the system screenshot was taken on the same day the letter was generated (yesterday), the screenshot would match exactly what was on the letter for total Outstanding Interest (**$422.65**). However, since the screenshot was taken one day after the letter, we need to understand the total accrual for one day of Interest. See below for confirmation.

The total amount of Interest that has accrued in the region since the time the letter was produced (one day) is **$2.39.**

```
DATE 05/18/17 12:55:40    INTEREST ACCRUAL CALCULATION


FROM DATE:       05 18 2017
TO DATE:         05 18 2017
INTEREST RATE:    6.800 %
PRINCIPAL:          12,828.85

CALCULATED NUMBER OF DAYS:      1
CALCULATED INTEREST AMOUNT:              2.39
```

Summary: **$422.62 (letter)** + **2.39 (daily accrual)** = **425.04 (system)**

The ‘Other Outstanding Interest’ is mathematically calculated in the letter by taking the total amount of Outstanding Interest in the region for that day and removing the NegAm Interest out of that amount.

Letter Calculation (as of 5/17):
Total Outstanding Interest – NegAm Interest = Total Other Interest
$422.62 - **$484.79** = $**-62.17**

fedloan SERVICING

U.S. Department of Education
Information about your federal student loan

May 17, 2017

#BWBBCFT
#B062 2761 2305 17L9#
NADEGE BROWNQZ
1200 NORTH SEVENTH STREET
RANDOLPH MA 02368

ANNUAL NOTICE:

YOU HAVE OUTSTANDING INTEREST.

Account Number: 09 4521 4696

The payments you made under your reduced payment plan did not satisfy all of the interest on your loans. As of June 30th, you have $484.79 in outstanding interest due to the payments you made between July 1, 2016 and June 30, 2017 under an Income-Contingent Repayment or Alternative Repayment plan did not cover all of the interest that accrued each month.

You also have additional outstanding interest in the amount of -$62.14. You are still responsible for paying this interest, but it will not increase your loan balance on **July 31st**.

You Have Options
Carefully review and take one of these actions before **July 31st.**

Option 1: Make a full payment of $484.79
We recommend this option. It prevents your principal balance from increasing by the amount listed above.

Option 2: Make a partial payment
Paying even a portion of the $484.79 will decrease the amount that adds to your balance.

Option 3: Do nothing
If you cannot pay any of the outstanding interest before July 31st, it will be added to your principal balance. You will pay more over time since you will be accruing interest on a higher loan balance.

Ways To Pay

Pay Online:	MyFedLoan.org
Pay By Phone:	800-699-2908
Pay By Mail:	Department of Education FedLoan Servicing P.O. Box 530210 Atlanta, GA 30353-0210

Include your account number, 09 4521 4696, on a check or money order made payable to FedLoan Servicing.

Helpful Hints

- This interest payment does not satisfy your monthly payment. Continue to make your payments each month.
- If your account is currently on a deferment or forbearance, your unpaid interest will not be capitalized (added to your principal balance) until the end of the deferment or forbearance.

Loan Information

Loan Program	Disbursement Date	Current Principal Balance	Interest Rate	Total Outstanding Interest
DLUNST	10/21/2011	$12,828.85	6.800%	$422.65
Total Outstanding Interest (for all loans listed above)				**$422.65**

This screen shows the conversion financial transaction breakdown:
Principal applied: $12,828.85
Interest applied: $319.88

```
  ITS2C900999801;DLUNST;              FEDERAL           VTAM KAHØ          TSX2E
DATE Ø5/15/17 13:1Ø:41    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                                SELECTION   1

 BORROWER SSN: 9ØØ 99 98Ø1 NAME: SMITH, NADEGE
     1ST DISB: 1Ø/21/11                LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:               SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:  13,2Ø8.73               REJECT REASON:

              PRINCIPAL      INTEREST     LATE FEE     ACCRUAL      INEL PRIN
  PRIOR BAL:       Ø.ØØ         Ø.ØØ         Ø.ØØ                      Ø.ØØ
APPLIED AMT:  12,828.85       319.88         Ø.ØØ         Ø.ØØ         Ø.ØØ
 REMAIN BAL:  12,828.85       319.88         Ø.ØØ                      Ø.ØØ

    TRANSACTION TYPE: CONVERSION              EFFECTIVE DATE: Ø4/Ø4/17
TRANSACTION SUB-TYPE: PURCHASE              ORIG APPLIED DATE: Ø5/15/17
         POSTED DATE: Ø5/15/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                           BATCH:
          BATCH CODE:                           PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F1Ø=REMT F12=CAN
```

This screen shows the breakdown of the converted interest:
NegAm Interest: $319.88
Cappable Interest: $0.00

```
  ITS2C900999801;DLUNST;              FEDERAL           VTAM KAHØ          TSX2E
DATE Ø5/15/17 13:11:ØØ    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                                SELECTION   1

 BORROWER SSN: 9ØØ 99 98Ø1 NAME: SMITH, NADEGE
     1ST DISB: 1Ø/21/11                LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:               SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:  13,2Ø8.73               REJECT REASON:

            INT REBATE   NEGAM INT     ACCRUAL    CAPPABLE INT   ACCRUAL
  PRIOR BAL:    6Ø.ØØCR       Ø.ØØ                       Ø.ØØ
APPLIED AMT:    6Ø.ØØ       319.88         Ø.ØØ         Ø.ØØ         Ø.ØØ
 REMAIN BAL:     Ø.ØØ       319.88                      Ø.ØØ

    TRANSACTION TYPE: CONVERSION              EFFECTIVE DATE: Ø4/Ø4/17
TRANSACTION SUB-TYPE: PURCHASE              ORIG APPLIED DATE: Ø5/15/17
         POSTED DATE: Ø5/15/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                           BATCH:
          BATCH CODE:                           PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F1Ø=LEFT F11=RIGHT F12=CAN
```

This screen shows the breakdown of the converted interest:
Non-cappable Interest: $0.00

```
  ITS2C900999801;DLUNST;              FEDERAL          VTAM KAHØ        TSX2E
DATE Ø5/15/17 13:11:2Ø   LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                                SELECTION   1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:  13,208.73               REJECT REASON:

              NON-CAPP INT   ACCRUAL
  PRIOR BAL:        Ø.ØØ
APPLIED AMT:        Ø.ØØ         Ø.ØØ
 REMAIN BAL:        Ø.ØØ

    TRANSACTION TYPE: CONVERSION               EFFECTIVE DATE: Ø4/Ø4/17
TRANSACTION SUB-TYPE: PURCHASE              ORIG APPLIED DATE: Ø5/15/17
         POSTED DATE: Ø5/15/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED          REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                             BATCH:
          BATCH CODE:                             PAID AHEAD:
  INTEREST PAID THRU:                        APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F1Ø=LEFT F11=RIGHT F12=CAN
```

This screen shows interest rate of the loan

```
  ITSØ6900999801;DLUNST;1Ø2111;     FEDERAL          VTAM KAHØ        TSXØ7
DATE Ø5/15/17 13:11:42    INTEREST RATE CHANGE/HISTORY

BORROWER SSN: 900 99 9801   NAME: NADEGE SMITH
LOAN PGM:     DLUNST        BOND ISSUE: ØØØØØØØØ       1ST DISB: 1Ø 21 11
OWNER NAME:   U.S. DEPT OF ED                 EFF LOAN ADD DATE: Ø4 Ø4 17
INACTIVATE SPECIAL RATES: _ SUBSIDY CODE: N

  INTEREST RDC EFFECTIVE   EFFECTIVE  INT  STATUS  STATUS      EFT RDC  ORIG
     RATE  CDE   BEGIN     END        TYP  CODE    DATE        RDC IND  RATE
 1   6.8ØØ  _  1Ø 21 2Ø11  Ø1 Ø1 9999  F1   A      Ø5/15/2Ø17   N   N  6.8ØØ









    SELECTION _

F1=HELP F2=SET2 F3=EXIT F5=RFR F7=BKWD F8=FWD F9=PRT F11=REM F12=CAN
```

This screen shows the repayment schedule detail
ICR (C3) schedule of $0.00 beginning 4/15/2017

```
  ITS2X900999801;                    FEDERAL          VTAM KAJD          TSX56
DATE 05/15/17 13:57:32      REPAYMENT SCHEDULE DETAIL

BORROWER SSN: 900 99 9801 NAME: NADEGE SMITH
LOAN PROGRAM: DLUNST              GUARANTOR: 000579 - FEDERAL
1ST DISB DATE: 10/21/11           OWNER: 898579    - U.S. DEPT OF ED
STATUS: A  SCHEDULE TYPE: C3  LOAN SEQ:    2         BORROWER REQ DUE DAY:
ACCRUED INTEREST:          $0.00       PRINCIPAL BALANCE:          $12,000.00
DISC INT RTE:   6.800 %                ANTICIPATED CAP:                $0.00
GRACE PERIOD END DATE: 10/28/12        ANTICIPATED SUPP FEE:           $0.00
LLMT:        LLFD:                     TOTAL INT TO BE REPAID:         $0.00
                                       TOTAL REPAY AMOUNT:             $0.00
DISCLOSURE REASON: 1 - PRECONV
INACTIVATION REASON:   -
  REPAY LEVEL      BEG DUE DATE          REPAY TERM      INSTALL AMOUNT
       1             04/15/17                12                $0.00
       2             04/15/18               296              $100.00




 F1=HELP F3=EXIT F5=RFR F7=BKWD  F8=FWD F9=PRT F10=PMTOPT F11=ICR  F12=CAN
```

This screen shows the deferment/forbearance detail

```
  ITS31900999801;                    FEDERAL          VTAM KAH0          TSX31
DATE 05/15/17 13:15:59 DEFERMENT/FORBEARANCE LOAN DETAIL

BORROWER SSN: 900-99-9801 NAME: NADEGE SMITH
1ST DISB DATE: 10/21/11   OWNER: U.S. DEPT OF ED          LOAN PGM: DLUNST
LOAN SEQ: 002          GUARANTOR: FEDERAL


                                                                    TOTL
                     BEGIN     END      GRACE    CAP   DAYS  DAYS   MOS     CERT
   DEFER/FORB TYP    DATE      DATE   END DATE  IND   USED  LEFT   USED    DATE
   F - ADMINISTRV 06 07 13 08 07 13              Y      62 UNL       5.3
   F - ADMINISTRV 02 07 13 03 07 13              Y      29 UNL       5.3
   F - ADMINISTRV 12 07 12 01 07 13              Y      32 UNL       5.3
   F - ADMINISTRV 10 29 12 12 06 12              Y      39 UNL       5.3









F1=HELP  F3=EXIT  F5=RFR  F6=ELG  F7=BKWD  F8=FWD  F9=PRT  F10=HIST  F12=CAN
```

The following screens show interest accrual up to 4/30/2017 and the categories the interest was placed

```
  ITS2C900999801;DLUNST;              FEDERAL           VTAM KAJD          TSX2E
DATE 05/15/17 14:08:48    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                         REVERSAL REASON:
 FIN ACTY AMT:        0.00              REJECT REASON:

              PRINCIPAL      INTEREST     LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:  12,828.85       319.88         0.00                        0.00
APPLIED AMT:       0.00         0.00         0.00        64.53           0.00
 REMAIN BAL:  12,828.85       384.41         0.00                        0.00

    TRANSACTION TYPE: INTACCRUAL               EFFECTIVE DATE: 05/01/17
TRANSACTION SUB-TYPE: AUTOMATIC              ORIG APPLIED DATE: 05/15/17
         POSTED DATE: 05/01/17                    DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED          REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                             BATCH:
          BATCH CODE:                             PAID AHEAD:
  INTEREST PAID THRU:                        APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

```
  ITS2C900999801;DLUNST;              FEDERAL           VTAM KAM7          TSX2E
DATE 05/15/17 15:41:32    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                         REVERSAL REASON:
 FIN ACTY AMT:        0.00              REJECT REASON:

              INT REBATE    NEGAM INT      ACCRUAL    CAPPABLE INT    ACCRUAL
  PRIOR BAL:        0.00       319.88                        0.00
APPLIED AMT:        0.00         0.00        64.53           0.00          0.00
 REMAIN BAL:        0.00       384.41                        0.00

    TRANSACTION TYPE: INTACCRUAL               EFFECTIVE DATE: 05/01/17
TRANSACTION SUB-TYPE: AUTOMATIC              ORIG APPLIED DATE: 05/15/17
         POSTED DATE: 05/01/17                    DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED          REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                             BATCH:
          BATCH CODE:                             PAID AHEAD:
  INTEREST PAID THRU:                        APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

The following screens show interest accrual up to 5/31/2017 and the categories the interest was placed

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KA40          TSX2E
DATE 06/01/17 15:53:57    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE   1 OF   1
                                                                 SELECTION    1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:               SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                         REVERSAL REASON:
 FIN ACTY AMT:        0.00             REJECT REASON:

              PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:  12,828.85       384.41          0.00                       0.00
APPLIED AMT:       0.00         0.00          0.00         74.09         0.00
 REMAIN BAL:  12,828.85       458.50          0.00                       0.00

    TRANSACTION TYPE: INTACCRUAL              EFFECTIVE DATE: 06/01/17
TRANSACTION SUB-TYPE: AUTOMATIC            ORIG APPLIED DATE: 06/01/17
         POSTED DATE: 05/31/17                  DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                           BATCH:
          BATCH CODE:                          PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KA40          TSX2E
DATE 06/01/17 15:54:17    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE   1 OF   1
                                                                 SELECTION    1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:               SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                         REVERSAL REASON:
 FIN ACTY AMT:        0.00             REJECT REASON:

              INT REBATE    NEGAM INT      ACCRUAL    CAPPABLE INT    ACCRUAL
  PRIOR BAL:        0.00       384.41                        0.00
APPLIED AMT:        0.00         0.00         74.09          0.00          0.00
 REMAIN BAL:        0.00       458.50                        0.00

    TRANSACTION TYPE: INTACCRUAL              EFFECTIVE DATE: 06/01/17
TRANSACTION SUB-TYPE: AUTOMATIC            ORIG APPLIED DATE: 06/01/17
         POSTED DATE: 05/31/17                  DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                           BATCH:
          BATCH CODE:                          PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the inactivation of the ICR (C3) schedule based on borrower request to change to a Graduated repayment plan.

```
  DTL1G900999801;                    FEDERAL          VTAM KA4Ø          TLX1K
DATE Ø6/12/17 16:15:28 CALCULATE/DEACTIVATE ICR REPAYMENT SCHEDULE

                                                  C3 ICR3
BORROWER SSN: 900 99 9801  NAME: NADEGE SMITH
 CREATE DATE: Ø5/15/17

INC LN AMT:          $Ø.ØØ EXC LN AMT:          $Ø.ØØ TTL LN AMT:          $Ø.ØØ

AGI:    $54,Ø26.ØØ    FAM SIZE:  2  STATE: __ RQSTD DUE DAY: 15 SRC CODE: OTH
DEF/FORB END:  _
FILING STATUS: _
 LOAN SEQ:   2  1ST DSB: 1Ø/21/11  LOAN PGM: DLUNST
                GUAR: ØØØ579       OWNER: 898579
 REPAY
  TRM       INSTALLMENT    DUE DATE
   12           $Ø.ØØ      Ø4/15/17
  296         $15Ø.84      Ø4/15/18

TOTAL INSTALLMENT AMT DUE:          $Ø.ØØ
DEACTIVATION REASON: C BRWR OPT OUT IDR     CREATE USER ID: TAXFD

Ø6311 ICR SCHEDULE SUCCESSFULLY DEACTIVATED
F1=HELP  F3=EXIT  F4=ACPT  F5=RFR  F7=BKWD  F8=FWD  F9=PRT  F11=PREV  F12=CAN
```

```
  ITS2X900999801;                    FEDERAL          VTAM KABC       TSX3W
DATE: Ø7/Ø3/17 Ø8:35:48   REPAYMENT SCHEDULE TOTALS

BORROWER SSN: 900 99 9801  NAME: NADEGE SMITH
REPAYMENT SEQUENCE:    3

 FIRST PAY DUE: Ø4/15/17          STATUS: I          STATUS DATE: Ø6/12/17

 INSTALLMENT AMOUNT:      $Ø.ØØ  CREATE DATE: Ø5/15/17   SCHEDULE TYPE: C3

 DISCLOSURE PRINT DATE: Ø3/15/17        PRINCIPAL BALANCE:     $12,ØØØ.ØØ

 REPAY OB SIGNED: N                       ANTICIPATED CAP:          $Ø.ØØ

 DATE REPAY OB RTRND:                  ANTICIPATED SUPP FEE:        $Ø.ØØ

 INSTALL FREQUENCY: MONTHLY          TOTAL INT TO BE REPAID:        $Ø.ØØ

 ACCRUED INTEREST:          $Ø.ØØ  TOTAL REPAYMENT AMOUNT:         $Ø.ØØ

                                    SCHEDULE REQUESTED BY:


F1=HELP  F2=REPRINT  F3=EXIT  F4=DETAIL  F5=RFR  F9=PRT  F11=ICR  F12=CAN
```

ICR inactivated as of 6/12/2017

This screen shows the creation of the Graduated Repayment schedule, beginning 7/15/2017

```
  ATSØN900999801;;000579;898579;     FEDERAL          VTAM KA4Ø        TSXØT
DATE Ø6/12/17 16:16:27 CALCULATE/DEACTIVATE REPAYMENT SCHEDULES

BORROWER SSN: 900 99 9801 NAME: NADEGE SMITH
LOAN PROGRAM: S/DLUNS      GUARANTOR CODE: ØØØ579    - FEDERA
1ST DISB DATE: 10/21/11        OWNER CODE: 898579    - U.S. D

SCHED TYPE: G   DUE DAY: 15  REPAY PERIOD BEGIN: 10 29 12
LOAN LEVEL MAX TERM: Ø69  LOAN LEVEL FIRST DUE:  Ø7 15 17


REPAY              GRD      BEGIN      ANT SUP   CAPPED    CURRENT   BRWR INT
 TRM  INSTALLMENT   %  CAP DUE DATE      FEE     INTEREST  PRINCIPAL  OUTSTAND
 Ø24       132.05   2Ø   N  Ø7/15/17                      12,828.85    563.66
 Ø24       227.6Ø   2Ø      Ø7/15/19
 Ø21       392.29   __      Ø7/15/21


DISCLOSURE REASON: 7 - ONLINE DIS          REPAYMENT SCHEDULE SUMMARY
MAXIMUM TERM REMAINING: Ø69              TOTAL REPAYMENT AMOUNT:  16,869.69
EXTENDED MAX TERM REM:  ØØØ              TOTAL REPAYMENT INTEREST:   4,Ø4Ø.84
ALT REPAY TERM RMNING:  3Ø9              FIRST PAYMENT AMOUNT DUE:     132.Ø5
Ø1832 REPAYMENT SCHEDULE SUCCESSFULLY ADDED
F1=HELP F3=EXIT F4=ACPT F5=RFR F6=SWCH F7=BKWD F8=FWD F9=PRT F1Ø=SUM F12=CAN
```

First due of Graduated plan is 7/15/17

This screen shows the Repayment schedule summary, ICR (C3) inactive and Graduated (G) active

```
  ITS2X900999801;                  FEDERAL          VTAM KA4Ø        TSX2Y
DATE Ø6/12/17 16:16:43 REPAYMENT SCHEDULE SUMMARY SELECTION   PAGE  1 OF  1

BORROWER SSN 900-99-9801   NAME NADEGE SMITH

       SCHED   INSTALL   REPAY   REPAY  1ST DUE 1ST DISB     LOAN
SEL STA TYPE   AMOUNT     LVLS    TERM    DATE    DATE       PGM        OWNER
  1  A   G       132.05      3      69  Ø7/15/17 10/21/11 DLUNST     U.S. DEPT
  2  I   C3        Ø.ØØ      2     3Ø8  Ø4/15/17 10/21/11 DLUNST     U.S. DEPT









 SELECTION


F1=HELP   F3=EXIT   F5=RFR   F7=BKWD   F8=FWD   F9=PRT   F12=CAN
```

The following screens show interest accrual up to 6/30/2017 and the categories the interest was placed

```
  ITS2C900999801;DLUNST;              FEDERAL          VTAM KABC         TSX2E
DATE 07/03/17 08:34:48    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE   1 OF   1
                                                                SELECTION    1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:       0.00             REJECT REASON:

              PRINCIPAL      INTEREST     LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:  12,828.85       458.50         0.00                       0.00
APPLIED AMT:       0.00         0.00         0.00         71.70         0.00
 REMAIN BAL:  12,828.85       530.20         0.00                       0.00

    TRANSACTION TYPE: INTACCRUAL              EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC            ORIG APPLIED DATE: 07/01/17
         POSTED DATE: 06/30/17                 DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED       REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                          BATCH:
          BATCH CODE:                         PAID AHEAD:
  INTEREST PAID THRU:                      APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

```
  ITS2C900999801;DLUNST;              FEDERAL          VTAM KABC         TSX2E
DATE 07/03/17 08:35:12    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE   1 OF   1
                                                                SELECTION    1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:       0.00             REJECT REASON:

              INT REBATE   NEGAM INT      ACCRUAL   CAPPABLE INT    ACCRUAL
  PRIOR BAL:       0.00      458.50                       0.00
APPLIED AMT:       0.00        0.00         26.29         0.00         45.41
 REMAIN BAL:       0.00      484.79                      45.41

    TRANSACTION TYPE: INTACCRUAL              EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC            ORIG APPLIED DATE: 07/01/17
         POSTED DATE: 06/30/17                 DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED       REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                          BATCH:
          BATCH CODE:                         PAID AHEAD:
  INTEREST PAID THRU:                      APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

NegAm and cappable interest accrue in June 2017, due to inactivation of ICR on 6/12/17

This screen shows the application of the borrower payment effective 7/14/2017

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KAIU          TSX2E
DATE 07/17/17 12:41:28    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER: 0714201701  SCHD TYPE: 01      STATUS: ACTIVE
    SCHD DATE: 07/14/17               REVERSAL REASON:
 FIN ACTY AMT:      132.05CR            REJECT REASON:

               PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:   12,828.85       530.20          0.00                       0.00
APPLIED AMT:       0.00       132.05CR        0.00         31.07         0.00
 REMAIN BAL:   12,828.85       429.22          0.00                       0.00

    TRANSACTION TYPE: PAYMENT                    EFFECTIVE DATE: 07/14/17
TRANSACTION SUB-TYPE: BORROWER                 ORIG APPLIED DATE: 07/14/17
         POSTED DATE: 07/14/17                      DEPOSIT DATE: 07/14/17
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:      132.05
      PAYMENT SOURCE: MANUAL                              BATCH: 07/14/2017M001
          BATCH CODE: 2                             PAID AHEAD: N
  INTEREST PAID THRU: 01/14/17                   APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

This screens shows the reduction in NegAm interest and the accrual in the Cappable interest

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KAIU          TSX2E
DATE 07/17/17 12:41:45    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER: 0714201701  SCHD TYPE: 01      STATUS: ACTIVE
    SCHD DATE: 07/14/17               REVERSAL REASON:
 FIN ACTY AMT:      132.05CR            REJECT REASON:

               INT REBATE    NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:       0.00        484.79                        45.41
APPLIED AMT:       0.00        132.05CR        0.00           0.00         31.07
 REMAIN BAL:       0.00        352.74                        76.48

    TRANSACTION TYPE: PAYMENT                    EFFECTIVE DATE: 07/14/17
TRANSACTION SUB-TYPE: BORROWER                 ORIG APPLIED DATE: 07/14/17
         POSTED DATE: 07/14/17                      DEPOSIT DATE: 07/14/17
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:      132.05
      PAYMENT SOURCE: MANUAL                              BATCH: 07/14/2017M001
          BATCH CODE: 2                             PAID AHEAD: N
  INTEREST PAID THRU: 01/14/17                   APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

The following screens show interest accrual up to 7/31/2017 and the categories the interest was placed

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KAK9          TSX2E
DATE 08/01/17 13:33:00    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE   1 OF   1
                                                                 SELECTION    1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                          REVERSAL REASON:
 FIN ACTY AMT:        0.00               REJECT REASON:

              PRINCIPAL      INTEREST     LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:  12,828.85       429.22         0.00                       0.00
APPLIED AMT:       0.00         0.00         0.00         43.02         0.00
 REMAIN BAL:  12,828.85       472.24         0.00                       0.00

    TRANSACTION TYPE: INTACCRUAL               EFFECTIVE DATE: 08/01/17
TRANSACTION SUB-TYPE: AUTOMATIC             ORIG APPLIED DATE: 08/01/17
         POSTED DATE: 07/31/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                           BATCH:
          BATCH CODE:                           PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KAK9          TSX2E
DATE 08/01/17 13:33:16    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE   1 OF   1
                                                                 SELECTION    1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                          REVERSAL REASON:
 FIN ACTY AMT:        0.00               REJECT REASON:

              INT REBATE    NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:       0.00       352.74                        76.48
APPLIED AMT:       0.00         0.00         0.00          0.00         43.02
 REMAIN BAL:       0.00       352.74                       119.50

    TRANSACTION TYPE: INTACCRUAL               EFFECTIVE DATE: 08/01/17
TRANSACTION SUB-TYPE: AUTOMATIC             ORIG APPLIED DATE: 08/01/17
         POSTED DATE: 07/31/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                           BATCH:
          BATCH CODE:                           PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the Interest Capitalization effective 7/1/2017 applied 8/1/2017 and the principal balance after the capitalization

```
  ITS2C900999801;DLUNST;              FEDERAL          VTAM KAK9         TSX2E
DATE 08/01/17 13:53:35    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                                SELECTION   4

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:       0.00             REJECT REASON:

               PRINCIPAL      INTEREST     LATE FEE     ACCRUAL      INEL PRIN
  PRIOR BAL:   12,828.85       458.50        0.00                       0.00
APPLIED AMT:      352.74       352.74CR      0.00          0.00         0.00
 REMAIN BAL:   13,181.59       105.76        0.00                       0.00

    TRANSACTION TYPE: CAP                        EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC                ORIG APPLIED DATE: 08/01/17
         POSTED DATE: 08/01/17                      DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED             REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                                BATCH:
          BATCH CODE:                                PAID AHEAD:
  INTEREST PAID THRU: 06/30/17                  APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

This screen shows the reduction in NegAm interest with the application of the interest capitalization.

```
  ITS2C900999801;DLUNST;              FEDERAL          VTAM KAK9         TSX2E
DATE 08/01/17 13:54:23    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                                SELECTION   4

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:       0.00             REJECT REASON:

               INT REBATE    NEGAM INT     ACCRUAL    CAPPABLE INT    ACCRUAL
  PRIOR BAL:       0.00        458.50                       0.00
APPLIED AMT:       0.00        352.74CR       0.00          0.00          0.00
 REMAIN BAL:       0.00        105.76                       0.00

    TRANSACTION TYPE: CAP                        EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC                ORIG APPLIED DATE: 08/01/17
         POSTED DATE: 08/01/17                      DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED             REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                                BATCH:
          BATCH CODE:                                PAID AHEAD:
  INTEREST PAID THRU: 06/30/17                  APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the accrual up through 6/30/17 after the application of the NegAm cap effective 7/1/17

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KAK9          TSX2E
DATE 08/01/17 13:56:12    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   3

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                          REVERSAL REASON:
 FIN ACTY AMT:        0.00              REJECT REASON:

               PRINCIPAL      INTEREST     LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:   13,181.59       105.76         0.00                        0.00
APPLIED AMT:        0.00         0.00         0.00         71.70          0.00
 REMAIN BAL:   13,181.59       177.46         0.00                        0.00

    TRANSACTION TYPE: INTACCRUAL               EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC             ORIG APPLIED DATE: 08/01/17
         POSTED DATE: 07/01/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                            BATCH:
          BATCH CODE:                             PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KAK9          TSX2E
DATE 08/01/17 13:56:27    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   3

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                          REVERSAL REASON:
 FIN ACTY AMT:        0.00              REJECT REASON:

               INT REBATE   NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:         0.00       105.76                         0.00
APPLIED AMT:         0.00         0.00        26.29          0.00         45.41
 REMAIN BAL:         0.00       132.05                        45.41

    TRANSACTION TYPE: INTACCRUAL               EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC             ORIG APPLIED DATE: 08/01/17
         POSTED DATE: 07/01/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                            BATCH:
          BATCH CODE:                             PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the borrower payment effective 7/14/17 after the application of the NegAm cap effective 7/1/17

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KAK9          TSX2E
DATE 08/01/17 13:57:19    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   2

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER: 0714201701  SCHD TYPE: 01      STATUS: ACTIVE
    SCHD DATE: 07/14/17               REVERSAL REASON:
 FIN ACTY AMT:      132.05CR            REJECT REASON:

              PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:  13,181.59       177.46          0.00                       0.00
APPLIED AMT:       0.00       132.05CR        0.00         31.92         0.00
 REMAIN BAL:  13,181.59        77.33          0.00                       0.00

    TRANSACTION TYPE: PAYMENT                    EFFECTIVE DATE: 07/14/17
TRANSACTION SUB-TYPE: BORROWER                 ORIG APPLIED DATE: 07/14/17
         POSTED DATE: 07/14/17                      DEPOSIT DATE: 07/14/17
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:      132.05
      PAYMENT SOURCE: MANUAL                              BATCH: 07/14/2017M001
          BATCH CODE: 2                             PAID AHEAD: N
  INTEREST PAID THRU: 06/11/17                  APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KAK9          TSX2E
DATE 08/01/17 13:57:33    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   2

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER: 0714201701  SCHD TYPE: 01      STATUS: ACTIVE
    SCHD DATE: 07/14/17               REVERSAL REASON:
 FIN ACTY AMT:      132.05CR            REJECT REASON:

              INT REBATE   NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:       0.00      132.05                        45.41
APPLIED AMT:       0.00      132.05CR        0.00           0.00         31.92
 REMAIN BAL:       0.00        0.00                        77.33

    TRANSACTION TYPE: PAYMENT                    EFFECTIVE DATE: 07/14/17
TRANSACTION SUB-TYPE: BORROWER                 ORIG APPLIED DATE: 07/14/17
         POSTED DATE: 07/14/17                      DEPOSIT DATE: 07/14/17
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:      132.05
      PAYMENT SOURCE: MANUAL                              BATCH: 07/14/2017M001
          BATCH CODE: 2                             PAID AHEAD: N
  INTEREST PAID THRU: 06/11/17                  APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the interest accrual through 7/31/17 after the application of the NegAm cap effective 7/1/17

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KAK9          TSX2E
DATE 08/01/17 13:58:41    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   1

 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                          REVERSAL REASON:
 FIN ACTY AMT:        0.00              REJECT REASON:

               PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:   13,181.59         77.33          0.00                       0.00
APPLIED AMT:        0.00          0.00          0.00         44.20         0.00
 REMAIN BAL:   13,181.59        121.53          0.00                       0.00

    TRANSACTION TYPE: INTACCRUAL                EFFECTIVE DATE: 08/01/17
TRANSACTION SUB-TYPE: AUTOMATIC               ORIG APPLIED DATE: 08/01/17
         POSTED DATE: 08/01/17                     DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                              BATCH:
          BATCH CODE:                              PAID AHEAD:
  INTEREST PAID THRU:                          APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

```
  ITS2C900999801;DLUNST;              FEDERAL            VTAM KAK9          TSX2E
DATE 08/01/17 13:59:25    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   1

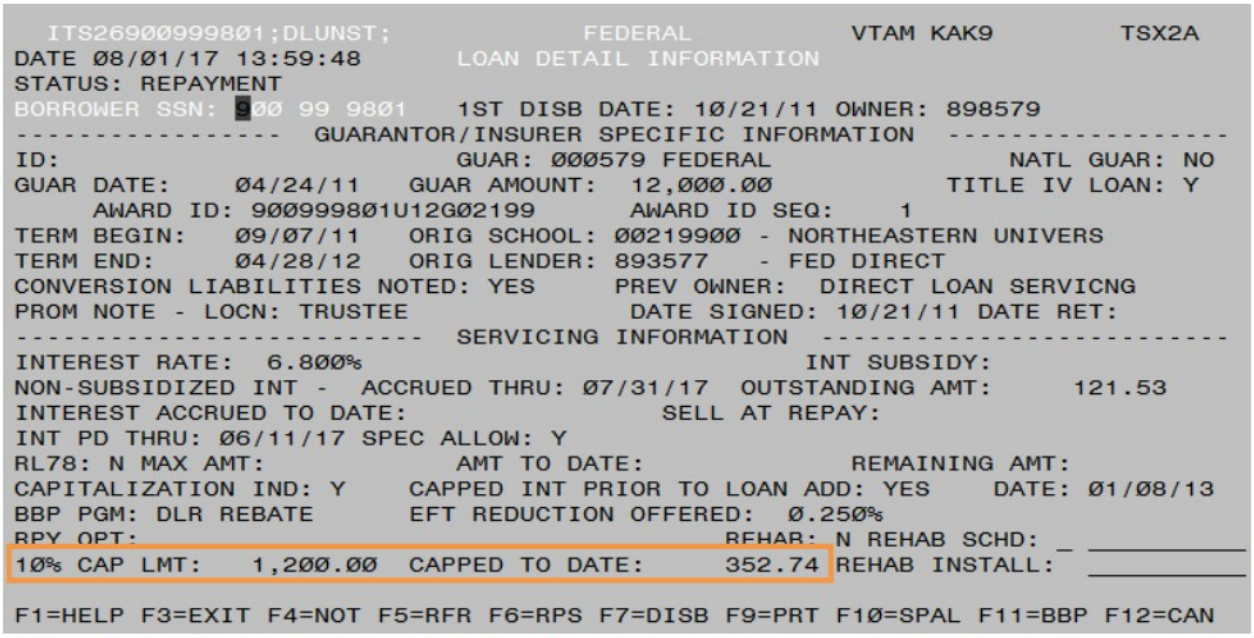
 BORROWER SSN: 900 99 9801 NAME: SMITH, NADEGE
     1ST DISB: 10/21/11                  LOAN PROGRAM: DLUNST
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                          REVERSAL REASON:
 FIN ACTY AMT:        0.00              REJECT REASON:

               INT REBATE    NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:         0.00         0.00                        77.33
APPLIED AMT:         0.00         0.00          0.00          0.00         44.20
 REMAIN BAL:         0.00         0.00                       121.53

    TRANSACTION TYPE: INTACCRUAL                EFFECTIVE DATE: 08/01/17
TRANSACTION SUB-TYPE: AUTOMATIC               ORIG APPLIED DATE: 08/01/17
         POSTED DATE: 08/01/17                     DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                              BATCH:
          BATCH CODE:                              PAID AHEAD:
  INTEREST PAID THRU:                          APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the 10% NegAm cap limit and the amount capped to date.



```
  ITS26900999801;DLUNST;            FEDERAL          VTAM KAK9        TSX2A
DATE 08/01/17 13:59:48      LOAN DETAIL INFORMATION
STATUS: REPAYMENT
BORROWER SSN: 900 99 9801   1ST DISB DATE: 10/21/11 OWNER: 898579
-----------------  GUARANTOR/INSURER SPECIFIC INFORMATION  ------------------
ID:                         GUAR: 000579 FEDERAL              NATL GUAR: NO
GUAR DATE:    04/24/11   GUAR AMOUNT:  12,000.00           TITLE IV LOAN: Y
     AWARD ID: 900999801U12G02199      AWARD ID SEQ:    1
TERM BEGIN:   09/07/11   ORIG SCHOOL: 00219900 - NORTHEASTERN UNIVERS
TERM END:     04/28/12   ORIG LENDER: 893577   - FED DIRECT
CONVERSION LIABILITIES NOTED: YES     PREV OWNER:  DIRECT LOAN SERVICNG
PROM NOTE - LOCN: TRUSTEE              DATE SIGNED: 10/21/11 DATE RET:
--------------------------  SERVICING INFORMATION  --------------------------
INTEREST RATE:  6.800%                              INT SUBSIDY:
NON-SUBSIDIZED INT -  ACCRUED THRU: 07/31/17  OUTSTANDING AMT:     121.53
INTEREST ACCRUED TO DATE:                SELL AT REPAY:
INT PD THRU: 06/11/17 SPEC ALLOW: Y
RL78: N MAX AMT:            AMT TO DATE:            REMAINING AMT:
CAPITALIZATION IND: Y    CAPPED INT PRIOR TO LOAN ADD: YES    DATE: 01/08/13
BBP PGM: DLR REBATE      EFT REDUCTION OFFERED:  0.250%
RPY OPT:                                        REHAB: N REHAB SCHD: _ __________
10% CAP LMT:   1,200.00  CAPPED TO DATE:     352.74 REHAB INSTALL:  __________

F1=HELP F3=EXIT F4=NOT F5=RFR F6=RPS F7=DISB F9=PRT F10=SPAL F11=BBP F12=CAN
```

Screen shows the conversion financial transaction breakdown:
Principal applied: $3630.39
Interest applied: $13.02

```
  ITS2C900999800;DLSTFD;              FEDERAL           VTAM KADV          TSX2E
DATE 04/06/17 09:58:00    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                                SELECTION   1

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:               SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                         REVERSAL REASON:
 FIN ACTY AMT:    3,679.41              REJECT REASON:

               PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:        0.00          0.00          0.00                       0.00
APPLIED AMT:    3,630.39         13.02          0.00          0.00         0.00
 REMAIN BAL:    3,630.39         13.02          0.00                       0.00

    TRANSACTION TYPE: CONVERSION               EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: PURCHASE                ORIG APPLIED DATE: 04/05/17
         POSTED DATE: 04/05/17                     DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED          REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                             BATCH:
          BATCH CODE:                             PAID AHEAD:
  INTEREST PAID THRU:                         APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

This screen shows the breakdown of the converted interest:
NegAm interest: $13.02
Cappable interest: $0.00

```
  ITS2C900999800;DLSTFD;              FEDERAL           VTAM KADV          TSX2E
DATE 04/06/17 09:58:17    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                                SELECTION   1

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:               SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                         REVERSAL REASON:
 FIN ACTY AMT:    3,679.41              REJECT REASON:

               INT REBATE    NEGAM INT      ACCRUAL    CAPPABLE INT    ACCRUAL
  PRIOR BAL:      36.00CR         0.00                         0.00
APPLIED AMT:      36.00          13.02          0.00          0.00         0.00
 REMAIN BAL:       0.00          13.02                        0.00

    TRANSACTION TYPE: CONVERSION               EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: PURCHASE                ORIG APPLIED DATE: 04/05/17
         POSTED DATE: 04/05/17                     DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED          REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                             BATCH:
          BATCH CODE:                             PAID AHEAD:
  INTEREST PAID THRU:                         APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the breakdown of the converted interest:
Non-cappable interest: $0.00

```
  ITS2C900999800;DLSTFD;            FEDERAL          VTAM KADV        TSX2E
DATE 04/06/17 09:58:34   LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                               SELECTION   1

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10               LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:        STATUS: ACTIVE
    SCHD DATE:                      REVERSAL REASON:
 FIN ACTY AMT:   3,679.41             REJECT REASON:

             NON-CAPP INT   ACCRUAL
  PRIOR BAL:       0.00
APPLIED AMT:       0.00         0.00
 REMAIN BAL:       0.00

    TRANSACTION TYPE: CONVERSION              EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: PURCHASE              ORIG APPLIED DATE: 04/05/17
         POSTED DATE: 04/05/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                           BATCH:
          BATCH CODE:                          PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows interest rate of the loan

```
  ITS06900999800;DLSTFD;011910;     FEDERAL          VTAM KADV       TSX07
DATE 04/06/17 09:58:57    INTEREST RATE CHANGE/HISTORY

BORROWER SSN: 900 99 9800   NAME: HOLLY A SMITH
LOAN PGM:     DLSTFD        BOND ISSUE: 00000000       1ST DISB: 01 19 10
OWNER NAME:   U.S. DEPT OF ED                 EFF LOAN ADD DATE: 04 04 17
INACTIVATE SPECIAL RATES: _ SUBSIDY CODE: Y

  INTEREST RDC EFFECTIVE   EFFECTIVE  INT  STATUS  STATUS      EFT RDC  ORIG
     RATE  CDE   BEGIN     END        TYP  CODE    DATE        RDC IND  RATE
 1   5.600  _  01 19 2010  01 01 9999  F1   A       04/05/2017   N   N   5.600

     SELECTION _

F1=HELP F2=SET2 F3=EXIT F5=RFR F7=BKWD F8=FWD F9=PRT F11=REM F12=CAN
```

This screen shows the repayment schedule detail
ICR (C3) schedule of $5.00 beginning 4/15/2017

```
  ITS2X900999800;                    FEDERAL          VTAM KADV          TSX56
DATE Ø4/Ø6/17 Ø9:59:3Ø      REPAYMENT SCHEDULE DETAIL

BORROWER SSN: 900 99 9800 NAME: HOLLY A SMITH
LOAN PROGRAM: DLSTFD              GUARANTOR: ØØØ579 - FEDERAL
1ST DISB DATE: Ø1/19/1Ø           OWNER: 898579    - U.S. DEPT OF ED
STATUS: A  SCHEDULE TYPE: C3  LOAN SEQ:    1          BORROWER REQ DUE DAY:
ACCRUED INTEREST:            $Ø.ØØ       PRINCIPAL BALANCE:           $3,5ØØ.ØØ
DISC INT RTE:   5.6ØØ %                  ANTICIPATED CAP:                $Ø.ØØ
GRACE PERIOD END DATE: 1Ø/26/11          ANTICIPATED SUPP FEE:           $Ø.ØØ
LLMT:         LLFD:                      TOTAL INT TO BE REPAID:         $Ø.ØØ
                                         TOTAL REPAY AMOUNT:             $Ø.ØØ

DISCLOSURE REASON: 1 - PRECONV
INACTIVATION REASON:   -
  REPAY LEVEL      BEG DUE DATE          REPAY TERM      INSTALL AMOUNT
       1             Ø4/15/17               12               $5.ØØ
       2             Ø4/15/18              114              $38.37
       3             1Ø/15/27                1              $19.56

 F1=HELP F3=EXIT F5=RFR F7=BKWD  F8=FWD F9=PRT F1Ø=PMTOPT F11=ICR  F12=CAN
```

This screen shows the deferment/forbearance detail

```
  ITS31900999800;                    FEDERAL          VTAM KADV          TSX31
DATE Ø4/Ø6/17 Ø9:59:56 DEFERMENT/FORBEARANCE LOAN DETAIL

BORROWER SSN: 900-99-9800 NAME: HOLLY A SMITH
1ST DISB DATE: Ø1/19/1Ø   OWNER: U.S. DEPT OF ED          LOAN PGM: DLSTFD
LOAN SEQ: ØØ1          GUARANTOR: FEDERAL


                                                                    TOTL
                     BEGIN      END       GRACE    CAP   DAYS   DAYS   MOS     CERT
    DEFER/FORB TYP   DATE       DATE    END DATE  IND   USED   LEFT   USED    DATE
    F - GENERAL    11 14 12 Ø7 14 13              Y     243    844    8.3
    D - UNEMPLOY   11 Ø4 11 11 Ø4 12              Y     367    729   12.1
    F - GENERAL    1Ø 27 11 11 Ø3 11              Y       8    844    8.3

F1=HELP  F3=EXIT  F5=RFR  F6=ELG  F7=BKWD  F8=FWD  F9=PRT  F1Ø=HIST  F12=CAN
```

This screen shows the processing of the unemployment deferment from 4/1/17 – 10/1/17

```
  CTSØH900999800;;D13;;;;            FEDERAL          VTAM KAOI        TSX49
DATE Ø4/Ø6/17 15:46:18          DEFERMENT REQUEST
                                   UNEMPLOYMENT
BORROWER SSN: 900 99 9800   NAME:  HOLLY A SMITH
DOCUMENT#:    ____________________
BEGIN DATE:     Ø4 Ø1 17
END DATE:       1Ø Ø1 17
DATE NOTIFIED: __ __ __
DATE CERTIFIED: __ __ __
PROOF OF UNEMPLOYMENT BENEFITS:  N
DATE UNEMPLOYMENT BEGAN:        Ø4 Ø1 17     BWR MADE REQUIRED ATTEMPTS: Y
REGISTERED WITH EMPLOYMENT AGENCY:    Y
IS THERE AN EMPLOYMENT AGENCY WITHIN 5Ø MILES: Y
FORBEARANCE TO CLEAR DELINQUENCY: N
CAPITALIZE INTEREST:                Y     RESUME PAYMENT AFTER DEFERMENT: _
SIGNATURE OF BORROWER:              Y


MANUAL REVIEW: Y
DOCUMENT NO          CORR DATE           DOCUMENT NO          CORR DATE
27022170960000001    Ø4/Ø6/2Ø17

Ø1ØØ4 RECORD SUCCESSFULLY ADDED
 F1=HELP F2=SET2 F3=EXIT F5=RFR F6=ACPT F7=BKWD F8=FWD F9=PRT F12=CAN
```

This screen shows the deferment/forbearance detail after the application of the unemployment deferment

```
  ITS31900999800;                  FEDERAL          VTAM KAES        TSX31
DATE 12/20/17 11:06:05 DEFERMENT/FORBEARANCE LOAN DETAIL

BORROWER SSN: 900-99-9800 NAME: HOLLY A SMITH
1ST DISB DATE: Ø1/19/1Ø   OWNER: U.S. DEPT OF ED          LOAN PGM: DLSTFD
LOAN SEQ: ØØ1          GUARANTOR: FEDERAL


                                                              TOTL
                     BEGIN     END      GRACE    CAP  DAYS  DAYS   MOS     CERT
    DEFER/FORB TYP   DATE      DATE    END DATE  IND  USED  LEFT   USED    DATE
    D - UNEMPLOY   Ø4 Ø1 17  1Ø Ø1 17             Y    184   545    18.1  Ø4 Ø4 17
    F - GENERAL    11 14 12  Ø7 14 13             Y    243   844     8.3
    D - UNEMPLOY   11 Ø4 11  11 Ø4 12             Y    367   545    18.1
    F - GENERAL    1Ø 27 11  11 Ø3 11             Y      8   844     8.3

F1=HELP  F3=EXIT  F5=RFR  F6=ELG  F7=BKWD  F8=FWD  F9=PRT  F1Ø=HIST  F12=CAN
```

This screen shows the internal table for the annual NegAm information. Letter was sent for $13.02 and $13.02 was capitalized.

```
      BF SSN    LN SEQ LD CRT NEG AMR LTR LA PRJ NEG AMR INT LA ACL NEG INT CAP
      --------- ------ ------------------ ------------------ ------------------
*** ********************************* TOP ********************************** ***
     900999800       1     Ø7/1Ø/2Ø17              13.Ø2              13.Ø2
*** ******************************** BOTTOM ********************************* ***
```

This screen shows the Interest Capitalization effective 7/1/2017 applied 10/2/2017 and the principal balance after the capitalization

```
  ITS2C900999800;DLSTFD;              FEDERAL           VTAM KAES          TSX2E
DATE 12/20/17 11:07:54    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   3

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10                  LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:               SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                         REVERSAL REASON:
 FIN ACTY AMT:       0.00              REJECT REASON:

               PRINCIPAL      INTEREST     LATE FEE     ACCRUAL      INEL PRIN
  PRIOR BAL:    3,630.39        13.02         0.00                       0.00
APPLIED AMT:       13.02        13.02CR       0.00          0.00         0.00
 REMAIN BAL:    3,643.41         0.00         0.00                       0.00

    TRANSACTION TYPE: CAP                        EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC                ORIG APPLIED DATE: 10/02/17
         POSTED DATE: 10/02/17                      DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                               BATCH:
          BATCH CODE:                                PAID AHEAD:
  INTEREST PAID THRU: 06/30/17                 APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

This screen shows the reduction in NegAm interest with the application of the interest capitalization.

```
  ITS2C900999800;DLSTFD;              FEDERAL           VTAM KAES          TSX2E
DATE 12/20/17 11:08:08    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  1
                                                                 SELECTION   3

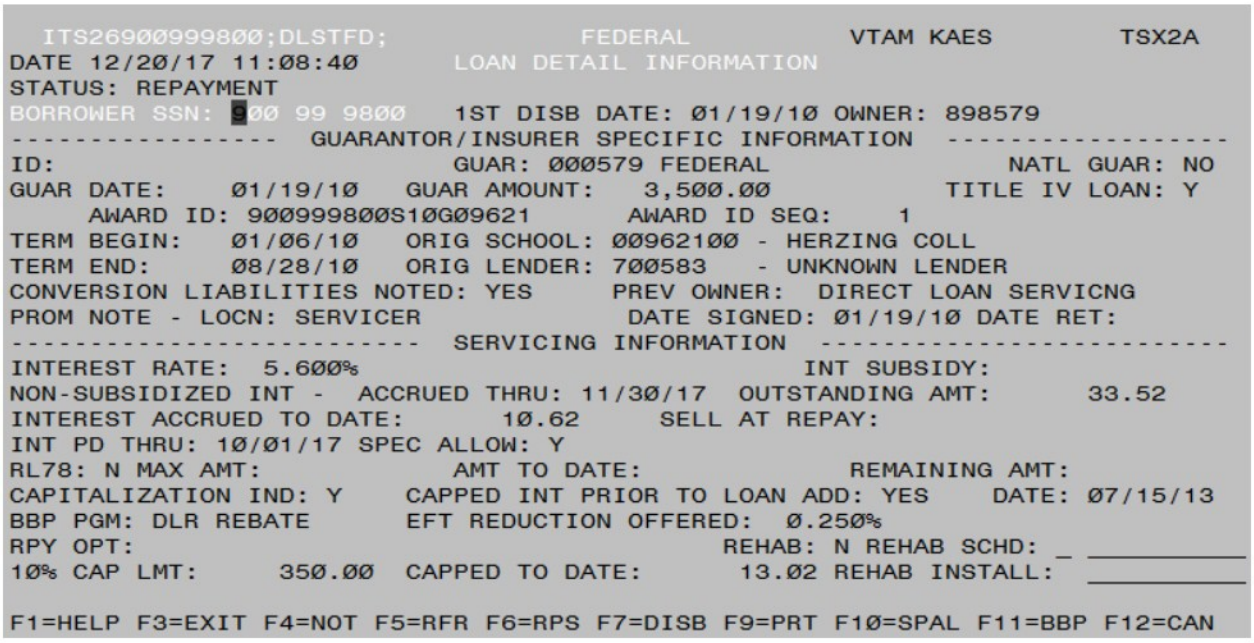
 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10                  LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:               SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                         REVERSAL REASON:
 FIN ACTY AMT:       0.00              REJECT REASON:

               INT REBATE    NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:       0.00         13.02                        0.00
APPLIED AMT:       0.00         13.02CR        0.00          0.00          0.00
 REMAIN BAL:       0.00          0.00                        0.00

    TRANSACTION TYPE: CAP                        EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC                ORIG APPLIED DATE: 10/02/17
         POSTED DATE: 10/02/17                      DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                               BATCH:
          BATCH CODE:                                PAID AHEAD:
  INTEREST PAID THRU: 06/30/17                 APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the 10% NegAm cap limit and the amount capped to date.



```
  ITS26900999800;DLSTFD;            FEDERAL          VTAM KAES        TSX2A
DATE 12/20/17 11:08:40      LOAN DETAIL INFORMATION
STATUS: REPAYMENT
BORROWER SSN: 900 99 9800   1ST DISB DATE: 01/19/10 OWNER: 898579
----------------  GUARANTOR/INSURER SPECIFIC INFORMATION  ------------------
ID:                         GUAR: 000579 FEDERAL              NATL GUAR: NO
GUAR DATE:    01/19/10   GUAR AMOUNT:   3,500.00           TITLE IV LOAN: Y
     AWARD ID: 900999800S10G09621      AWARD ID SEQ:    1
TERM BEGIN:   01/06/10   ORIG SCHOOL: 00962100 - HERZING COLL
TERM END:     08/28/10   ORIG LENDER: 700583   - UNKNOWN LENDER
CONVERSION LIABILITIES NOTED: YES     PREV OWNER:  DIRECT LOAN SERVICNG
PROM NOTE - LOCN: SERVICER             DATE SIGNED: 01/19/10 DATE RET:
--------------------------  SERVICING INFORMATION  --------------------------
INTEREST RATE:  5.600%                              INT SUBSIDY:
NON-SUBSIDIZED INT -  ACCRUED THRU: 11/30/17  OUTSTANDING AMT:      33.52
INTEREST ACCRUED TO DATE:      10.62     SELL AT REPAY:
INT PD THRU: 10/01/17 SPEC ALLOW: Y
RL78: N MAX AMT:            AMT TO DATE:             REMAINING AMT:
CAPITALIZATION IND: Y    CAPPED INT PRIOR TO LOAN ADD: YES    DATE: 07/15/13
BBP PGM: DLR REBATE      EFT REDUCTION OFFERED:  0.250%
RPY OPT:                                      REHAB: N REHAB SCHD: _ __________
10% CAP LMT:     350.00  CAPPED TO DATE:      13.02 REHAB INSTALL:  __________

F1=HELP F3=EXIT F4=NOT F5=RFR F6=RPS F7=DISB F9=PRT F10=SPAL F11=BBP F12=CAN
```

This screen shows the queue (workflow) task based on deferment beginning prior to loan effective add

```
  ITX6X01;01;;;                      FEDERAL          VTAM KAFW          TXX71
DATE 06/07/18 11:00:36             TASKS  SELECTION                 PAGE  1 OF  1

QUEUE 01 - SPECIALTY WORK        SUBQUEUE 01 - SPECIALTY WORK
                                                  DATE       DATE
SEL SSN/ACTY                ACTION REQUEST        REQUESTED  REQUIRED   CC STATUS

  1 9009998000001           G111Q - NEW PRECON    04/06/2017 04/16/2017 N     U
EFFECTIVE DATE OF ADJUSTMENT IS LESS THAN THE LOAN EFFECTIVE ADD DATE
ADJ EFF =                EFF ADD = 04/04/2017    1ST DISB = 01/19/2010
  2 9009998000002           G111Q - NEW PRECON    04/06/2017 04/16/2017 N     U
EFFECTIVE DATE OF ADJUSTMENT IS LESS THAN THE LOAN EFFECTIVE ADD DATE
ADJ EFF =                EFF ADD = 04/04/2017    1ST DISB = 10/26/2010









      SELECTION __

F1=HELP  F2=UTSK  F3=EXIT  F5=RFR  F7=BKWD  F8=FWD  F9=PRT  F12=CAN
```

The user would create and adjustment to rebuild the loan from deferment begin date (4/1/2017)

```
  CTS6C900999800;001;                FEDERAL          VTAM KAFW          TSX57
DATE 06/07/18 11:11:21    PRE-CONVERSION FINANCIAL TRANSACTIONS
REQUEST NUMBER: 001     TYPE: ADVICE      DATE: 06/07/18          STATUS: PENDING
BORROWER SSN: 900-99-9800 NAME: HOLLY A SMITH
1ST DISB: 01/19/2010 OWNER: 898579    - U.S. DEPT OF ED        LOAN PGM: DLSTFD
EFF ADD DATE: 04/04/2017
    EFF      TYPE    CUR PRI    INTEREST     NSI       REBATE      LTE FEE     SUB
    DATE     /SUB    BALANCE     BALANCE     ACCR       BAL          BAL     INT BAL
  04 01 17 00 00     3630.39       11.35       0.00       36.00        0.00
  04 04 17 90 01     3630.39       11.35       0.00       36.00        0.00        1.67
  __ __ __ __ __ __________ __________ __________ __________ __________ __________
  __ __ __ __ __ __________ __________ __________ __________ __________ __________
  __ __ __ __ __ __________ __________ __________ __________ __________ __________
  __ __ __ __ __ __________ __________ __________ __________ __________ __________
  __ __ __ __ __ __________ __________ __________ __________ __________ __________
  __ __ __ __ __ __________ __________ __________ __________ __________ __________
  __ __ __ __ __ __________ __________ __________ __________ __________ __________
  __ __ __ __ __ __________ __________ __________ __________ __________ __________
  __ __ __ __ __ __________ __________ __________ __________ __________ __________
NEW CONV - PRI    3,630.39  INT      11.35  REBATE        36.00  LTE FEE       0.00
  SUB INTEREST      1.67    NEXT PAY DU: __________      PART PAY DU: __________

F1=HLP F2=APL F3=EXT F5=RFR F6=PST F7=BKW F8=FWD F9=PRT F10=CLC F12=CAN
```

This screen shows the summary of the pre-conversion adjustment and the reduction in non-sub interest

```
  ATS44900999800;;;                  FEDERAL          VTAM KAFW          TSX58
DATE 06/07/18 11:12:25    PRE-CONVERSION FINANCIAL SUMMARY

REQ NBR: 001 RPT NBR:              TYPE: ADVICE DATE: 06/07/18 STATUS: PENDING
BORROWER SSN: 900-99-9800 NAME: HOLLY A SMITH

FIRST                                                    NON SUB
DISB DATE                  PRINCIPAL        REBATE      INTEREST     LATE FEES
01/19/10 CONVERSION         3,630.39         36.00         13.02          0.00
     RPT NET CASH ADJ           0.00          0.00          0.00          0.00
     RPT NET ADVC ADJ           0.00          0.00          0.00          0.00
     ADJ OFFSET                36.00          0.00          1.67 CR       0.00
     ADJ CONV               3,666.39         36.00         11.35          0.00
     SUB INT ADJ                1.67

10/26/10 CONVERSION         3,604.78         18.00         10.44          0.00
     RPT NET CASH ADJ           0.00          0.00          0.00          0.00
     RPT NET ADVC ADJ           0.00          0.00          0.00          0.00
     ADJ OFFSET                18.00          0.00          1.33 CR       0.00
     ADJ CONV               3,622.78         18.00          9.11          0.00
     SUB INT ADJ                1.33


F1=HELP   F3=EXIT   F5=RFR   F7=BKWD   F8=FWD   F9=PRT   F11=ADJ   F12=CAN
```

This screen shows the pending adjustment as a result of the pre-conversion adjustment

```
  ITS4L900999800;;                   FEDERAL          VTAM KAFW          TSX4J
DATE 06/07/18 11:14:47 BORROWER ADJUSTMENT REQUEST SELECTION   PAGE    1 OF    1

BORROWER SSN  900-99-9800     NAME HOLLY A SMITH

     DATE ADJUSTMENT     STATUS OF       ADJUSTMENT REQUEST TYPE
       REQUESTED         REQUEST
  1    06/07/18          PENDING         PRE-CONVERSION ADJUSTMENT
  2    06/07/18          ACTIVE          SUBSIDIZED INTEREST ADJUSTMENT
  3    06/07/18          ACTIVE          SUBSIDIZED INTEREST ADJUSTMENT
  4    10/02/17          ACTIVE          INTEREST CAP
  5    10/02/17          ACTIVE          INTEREST CAP
  6    04/06/17          ACTIVE          DEFERMENT/FORBEARANCE
  7    04/06/17          ACTIVE          DEFERMENT/FORBEARANCE




     SELECTION

F1=HELP   F3=EXIT   F5=RFR   F7=BKWD   F8=FWD   F9=PRT   F12=CAN
```

This screen shows the financial activity after the adjustment processed

```
  ITS2C900999800;DLSTFD;              FEDERAL            VTAM KAFW        TSX2D
DATE 06/07/18 11:22:31       LOAN FINANCIAL ACTIVITY              PAGE  1 OF  2

BORROWER SSN: 900-99-9800  NAME: SMITH, HOLLY A
1ST DISB: 01/19/10 LN SEQ: 0001  LN PGM: DLSTFD     OWN: 898579  -U.S. DEPT O
GUARANTOR: FEDERAL               CUST ACCT:  FSA1  ORIG BAL:   3,500.00
BOND ISSUE:             PD AHEAD:    STATUS: ACTIVE      CURR BAL:   3,641.74

     REV  EFFECTIVE   POSTED     TRAN        TRAN       INTEREST      PRINCIPAL
     REA    DATE       DATE      TYPE      AMOUNT      ACCRUED       BALANCE
 1         06/01/18   06/01/18  9101A        0.00        17.32       3,641.74
 2         05/01/18   05/01/18  9101A        0.00        16.76       3,641.74
 3         04/01/18   04/01/18  9101A        0.00        17.32       3,641.74
 4         03/01/18   03/01/18  9101A        0.00        15.64       3,641.74
 5         02/01/18   02/01/18  9101A        0.00        17.32       3,641.74
 6         01/01/18   01/01/18  9101A        0.00        17.32       3,641.74
 7         12/01/17   12/01/17  9101A        0.00        16.76       3,641.74
 8         11/01/17   11/01/17  9101A        0.00        16.76       3,641.74
 9         07/01/17   06/07/18  7001A        0.00         0.00       3,641.74
10         04/04/17   06/07/18  8003A        1.67CR       0.00       3,630.39

      SELECTION

F1=HELP  F3=EXIT  F5=RFR  F7=BKWD  F8=FWD  F9=PRT  F12=CAN
```

The next 2 screens show the original conversion transaction remains unchanged

```
  ITS2C900999800;DLSTFD;            FEDERAL          VTAM KAFW        TSX2E
DATE 06/07/18 11:23:13   LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  2 OF  2
                                                               SELECTION   1

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:               SCHD TYPE:        STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:    3,679.41             REJECT REASON:

              PRINCIPAL      INTEREST     LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:       0.00         0.00         0.00                       0.00
APPLIED AMT:    3,630.39        13.02         0.00         0.00          0.00
 REMAIN BAL:    3,630.39        13.02         0.00                       0.00

    TRANSACTION TYPE: CONVERSION               EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: PURCHASE                ORIG APPLIED DATE: 04/05/17
         POSTED DATE: 04/05/17                     DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                              BATCH:
          BATCH CODE:                              PAID AHEAD:
  INTEREST PAID THRU:                          APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

```
  ITS2C900999800;DLSTFD;            FEDERAL          VTAM KAFW        TSX2E
DATE 06/07/18 11:23:31   LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  2 OF  2
                                                               SELECTION   1

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:               SCHD TYPE:        STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:    3,679.41             REJECT REASON:

            INT REBATE    NEGAM INT      ACCRUAL    CAPPABLE INT    ACCRUAL
  PRIOR BAL:     36.00CR         0.00                       0.00
APPLIED AMT:       36.00        13.02         0.00          0.00          0.00
 REMAIN BAL:        0.00        13.02                       0.00

    TRANSACTION TYPE: CONVERSION               EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: PURCHASE                ORIG APPLIED DATE: 04/05/17
         POSTED DATE: 04/05/17                     DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                              BATCH:
          BATCH CODE:                              PAID AHEAD:
  INTEREST PAID THRU:                          APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the new financial transaction reducing interest

```
  ITS2C900999800;DLSTFD;            FEDERAL          VTAM KAFW        TSX2E
DATE 06/07/18 11:23:54   LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  2
                                                               SELECTION  10

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:        1.67CR            REJECT REASON:

              PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:    3,630.39       13.02          0.00                       0.00
APPLIED AMT:        0.00        1.67CR        0.00          0.00         0.00
 REMAIN BAL:    3,630.39       11.35          0.00                       0.00

    TRANSACTION TYPE: PR-CVN ADJ              EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: AUTO SYS             ORIG APPLIED DATE: 06/07/18
         POSTED DATE: 06/07/18                  DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED        REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                          BATCH:
          BATCH CODE:                          PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the reduction to the NegAm category

```
  ITS2C900999800;DLSTFD;            FEDERAL          VTAM KAFW        TSX2E
DATE 06/07/18 11:25:15   LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  2
                                                               SELECTION  10

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:        1.67CR            REJECT REASON:

              INT REBATE    NEGAM INT      ACCRUAL    CAPPABLE INT    ACCRUAL
  PRIOR BAL:        0.00        13.02                        0.00
APPLIED AMT:        0.00         1.67CR       0.00          0.00         0.00
 REMAIN BAL:        0.00        11.35                        0.00

    TRANSACTION TYPE: PR-CVN ADJ              EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: AUTO SYS             ORIG APPLIED DATE: 06/07/18
         POSTED DATE: 06/07/18                  DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED        REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                          BATCH:
          BATCH CODE:                          PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

The next 2 screens show the updated NegAm cap effective 7/1/2017

```
  ITS2C900999800;DLSTFD;              FEDERAL            VTAM KAFW          TSX2E
DATE 06/07/18 11:25:30    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  2
                                                                 SELECTION   9

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10                 LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                           REVERSAL REASON:
 FIN ACTY AMT:        0.00               REJECT REASON:

              PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:    3,630.39        11.35          0.00                       0.00
APPLIED AMT:       11.35        11.35CR        0.00          0.00         0.00
 REMAIN BAL:    3,641.74         0.00          0.00                       0.00

    TRANSACTION TYPE: CAP                        EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC                ORIG APPLIED DATE: 06/07/18
         POSTED DATE: 06/07/18                      DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                              BATCH:
          BATCH CODE:                                PAID AHEAD:
  INTEREST PAID THRU: 06/30/17                 APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

```
  ITS2C900999800;DLSTFD;              FEDERAL            VTAM KAFW          TSX2E
DATE 06/07/18 11:26:06    LOAN FINANCIAL ACTIVITY BREAKDOWN      PAGE  1 OF  2
                                                                 SELECTION   9

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 01/19/10                 LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                           REVERSAL REASON:
 FIN ACTY AMT:        0.00               REJECT REASON:

              INT REBATE    NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:        0.00         11.35                         0.00
APPLIED AMT:        0.00         11.35CR        0.00           0.00         0.00
 REMAIN BAL:        0.00          0.00                         0.00

    TRANSACTION TYPE: CAP                        EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC                ORIG APPLIED DATE: 06/07/18
         POSTED DATE: 06/07/18                      DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                              BATCH:
          BATCH CODE:                                PAID AHEAD:
  INTEREST PAID THRU: 06/30/17                 APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

Screen shows the conversion financial transaction breakdown:
Principal applied: $3064.78
Interest applied: $10.44

```
  ITS2C900999800;DLSTFD;              FEDERAL          VTAM KADV         TSX2E
DATE 04/06/17 10:01:40    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE   1 OF   1
                                                                SELECTION    1

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:    3,633.22             REJECT REASON:

              PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:       0.00          0.00          0.00                       0.00
APPLIED AMT:    3,604.78         10.44          0.00          0.00         0.00
 REMAIN BAL:    3,604.78         10.44          0.00                       0.00

    TRANSACTION TYPE: CONVERSION              EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: PURCHASE              ORIG APPLIED DATE: 04/05/17
         POSTED DATE: 04/05/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED          REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                             BATCH:
          BATCH CODE:                             PAID AHEAD:
  INTEREST PAID THRU:                         APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

This screen shows the breakdown of the converted interest:
NegAm interest: $10.44
Cappable interest: $0.00

```
  ITS2C900999800;DLSTFD;              FEDERAL          VTAM KADV         TSX2E
DATE 04/06/17 10:01:59    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE   1 OF   1
                                                                SELECTION    1

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:    3,633.22             REJECT REASON:

              INT REBATE    NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:     18.00CR         0.00                         0.00
APPLIED AMT:       18.00        10.44          0.00          0.00         0.00
 REMAIN BAL:        0.00        10.44                        0.00

    TRANSACTION TYPE: CONVERSION              EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: PURCHASE              ORIG APPLIED DATE: 04/05/17
         POSTED DATE: 04/05/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED          REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                             BATCH:
          BATCH CODE:                             PAID AHEAD:
  INTEREST PAID THRU:                         APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the breakdown of the converted interest:
Non-cappable interest: $0.00

```
  ITS2C900999800;DLSTFD;            FEDERAL          VTAM KADV        TSX2E
DATE 04/06/17 10:02:13   LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                               SELECTION   1

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:        STATUS: ACTIVE
    SCHD DATE:                       REVERSAL REASON:
 FIN ACTY AMT:    3,633.22             REJECT REASON:

             NON-CAPP INT   ACCRUAL
  PRIOR BAL:       0.00
APPLIED AMT:       0.00         0.00
 REMAIN BAL:       0.00

    TRANSACTION TYPE: CONVERSION              EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: PURCHASE              ORIG APPLIED DATE: 04/05/17
        POSTED DATE: 04/05/17                   DEPOSIT DATE:
      APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
     PAYMENT SOURCE: OTHER                            BATCH:
         BATCH CODE:                            PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows interest rate of the loan

```
  ITS06900999800;DLSTFD;102610;     FEDERAL          VTAM KADV       TSX07
DATE 04/06/17 10:02:41    INTEREST RATE CHANGE/HISTORY

BORROWER SSN: 900 99 9800   NAME: HOLLY A SMITH
LOAN PGM:     DLSTFD        BOND ISSUE: 00000000       1ST DISB: 10 26 10
OWNER NAME:   U.S. DEPT OF ED                 EFF LOAN ADD DATE: 04 04 17
INACTIVATE SPECIAL RATES: _ SUBSIDY CODE: Y

  INTEREST RDC EFFECTIVE   EFFECTIVE  INT  STATUS  STATUS      EFT RDC  ORIG
     RATE  CDE   BEGIN     END        TYP  CODE    DATE        RDC IND  RATE
 1   4.500  _   10 26 2010  01 01 9999  F1   A     04/05/2017   N   N   4.500

     SELECTION _

F1=HELP F2=SET2 F3=EXIT F5=RFR F7=BKWD F8=FWD F9=PRT F11=REM F12=CAN
```

This screen shows the repayment schedule detail
ICR (C3) schedule of $5.00 beginning 4/15/2017

```
  ITS2X900999800;                    FEDERAL          VTAM KADV          TSX56
DATE Ø4/Ø6/17 1Ø:Ø3:ØØ      REPAYMENT SCHEDULE DETAIL

BORROWER SSN: 900 99 9800 NAME: HOLLY A SMITH
LOAN PROGRAM: DLSTFD             GUARANTOR: ØØØ579 - FEDERAL
1ST DISB DATE: 1Ø/26/1Ø          OWNER: 898579   - U.S. DEPT OF ED
STATUS: A  SCHEDULE TYPE: C3  LOAN SEQ:    2        BORROWER REQ DUE DAY:
ACCRUED INTEREST:          $Ø.ØØ       PRINCIPAL BALANCE:          $3,5ØØ.ØØ
DISC INT RTE:   4.5ØØ %                ANTICIPATED CAP:                $Ø.ØØ
GRACE PERIOD END DATE: 1Ø/26/11        ANTICIPATED SUPP FEE:           $Ø.ØØ
LLMT:        LLFD:                     TOTAL INT TO BE REPAID:         $Ø.ØØ
                                       TOTAL REPAY AMOUNT:             $Ø.ØØ
DISCLOSURE REASON: 1 - PRECONV
INACTIVATION REASON:   -
  REPAY LEVEL     BEG DUE DATE          REPAY TERM     INSTALL AMOUNT
       1            Ø4/15/17               12              $5.ØØ
       2            Ø4/15/18              114             $36.15
       3            1Ø/15/27                1             $18.44

 F1=HELP F3=EXIT F5=RFR F7=BKWD  F8=FWD F9=PRT F1Ø=PMTOPT F11=ICR  F12=CAN
```

This screen shows the deferment/forbearance detail

```
  ITS31900999800;                    FEDERAL          VTAM KADV          TSX31
DATE Ø4/Ø6/17 1Ø:Ø3:19 DEFERMENT/FORBEARANCE LOAN DETAIL

BORROWER SSN: 9ØØ-99-98ØØ NAME: HOLLY A SMITH
1ST DISB DATE: 1Ø/26/1Ø   OWNER: U.S. DEPT OF ED          LOAN PGM: DLSTFD
LOAN SEQ: ØØ2          GUARANTOR: FEDERAL


                                                                  TOTL
                      BEGIN      END      GRACE    CAP  DAYS  DAYS  MOS     CERT
   DEFER/FORB TYP     DATE       DATE    END DATE IND  USED  LEFT  USED    DATE
   F - GENERAL     11 14 12 Ø7 14 13            Y     243   844   8.3
   D - UNEMPLOY    11 Ø4 11 11 Ø4 12            Y     367   729  12.1
   F - GENERAL     1Ø 27 11 11 Ø3 11            Y       8   844   8.3

F1=HELP  F3=EXIT  F5=RFR  F6=ELG  F7=BKWD  F8=FWD  F9=PRT  F1Ø=HIST  F12=CAN
```

This screen shows the processing of the unemployment deferment from 4/1/17 – 10/1/17

```
  CTSØH900999800;;D13;;;;            FEDERAL          VTAM KAOI        TSX49
DATE Ø4/Ø6/17 15:46:18          DEFERMENT REQUEST
                                   UNEMPLOYMENT
BORROWER SSN: 900 99 9800    NAME:  HOLLY A SMITH
DOCUMENT#:
BEGIN DATE:     Ø4 Ø1 17
END DATE:       1Ø Ø1 17
DATE NOTIFIED: __ __ __
DATE CERTIFIED: __ __ __
PROOF OF UNEMPLOYMENT BENEFITS:  N
DATE UNEMPLOYMENT BEGAN:        Ø4 Ø1 17     BWR MADE REQUIRED ATTEMPTS: Y
REGISTERED WITH EMPLOYMENT AGENCY:    Y
IS THERE AN EMPLOYMENT AGENCY WITHIN 5Ø MILES: Y
FORBEARANCE TO CLEAR DELINQUENCY: N
CAPITALIZE INTEREST:                Y     RESUME PAYMENT AFTER DEFERMENT: _
SIGNATURE OF BORROWER:              Y


MANUAL REVIEW: Y
DOCUMENT NO          CORR DATE           DOCUMENT NO          CORR DATE
27Ø221Ø96ØØØØØØØ1    Ø4/Ø6/2Ø17

Ø1ØØ4 RECORD SUCCESSFULLY ADDED
 F1=HELP F2=SET2 F3=EXIT F5=RFR F6=ACPT F7=BKWD F8=FWD F9=PRT F12=CAN
```

This screen shows the deferment/forbearance detail after the application of the unemployment deferment

```
  ITS31900999800;                  FEDERAL          VTAM KABØ        TSX31
DATE Ø3/16/18 Ø8:4Ø:18 DEFERMENT/FORBEARANCE LOAN DETAIL

BORROWER SSN: 9ØØ-99-98ØØ NAME: HOLLY A SMITH
1ST DISB DATE: 1Ø/26/1Ø   OWNER: U.S. DEPT OF ED          LOAN PGM: DLSTFD
LOAN SEQ: ØØ2          GUARANTOR: FEDERAL

                                                                  TOTL
                      BEGIN     END      GRACE    CAP   DAYS   DAYS   MOS      CERT
    DEFER/FORB TYP    DATE      DATE   END DATE  IND   USED   LEFT   USED     DATE
    D - UNEMPLOY    Ø4 Ø1 17  1Ø Ø1 17            Y     184    545    18.1   Ø4 Ø4 17
    F - GENERAL     11 14 12  Ø7 14 13            Y     243    844     8.3
    D - UNEMPLOY    11 Ø4 11  11 Ø4 12            Y     367    545    18.1
    F - GENERAL     1Ø 27 11  11 Ø3 11            Y       8    844     8.3

F1=HELP  F3=EXIT  F5=RFR  F6=ELG  F7=BKWD  F8=FWD  F9=PRT  F1Ø=HIST  F12=CAN
```

This screen shows the internal table for the annual NegAm information. Letter was sent for $10.44 and $10.44 was capitalized.

```
      BF_SSN    LN_SEQ LD_CRT_NEG_AMR_LTR LA_PRJ_NEG_AMR_INT LA_ACL_NEG_INT_CAP
    ---------- ------ -------------------- -------------------- --------------------
*** ********************************** TOP ***********************************
___   900999800      2     Ø7/1Ø/2Ø17              1Ø.44                1Ø.44
*** ******************************* BOTTOM ***********************************
```

This screen shows the Interest Capitalization effective 7/1/2017 applied 10/2/2017 and the principal balance after the capitalization

```
  ITS2C900999800;DLSTFD;              FEDERAL           VTAM KABØ         TSX2E
DATE Ø3/16/18 Ø8:43:Ø4    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                                SELECTION   6

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                  LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                           REVERSAL REASON:
 FIN ACTY AMT:        Ø.ØØ               REJECT REASON:

               PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:    3,604.78         10.44          Ø.ØØ                       Ø.ØØ
APPLIED AMT:       10.44         10.44CR        Ø.ØØ          Ø.ØØ         Ø.ØØ
 REMAIN BAL:    3,615.22          Ø.ØØ          Ø.ØØ                       Ø.ØØ

    TRANSACTION TYPE: CAP                        EFFECTIVE DATE: Ø7/Ø1/17
TRANSACTION SUB-TYPE: AUTOMATIC                ORIG APPLIED DATE: 10/Ø2/17
         POSTED DATE: 10/Ø2/17                      DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                              BATCH:
          BATCH CODE:                                PAID AHEAD:
  INTEREST PAID THRU: Ø6/3Ø/17                 APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F1Ø=REMT F12=CAN
```

This screen shows the reduction in NegAm interest with the application of the interest capitalization.

```
  ITS2C900999800;DLSTFD;              FEDERAL           VTAM KABØ         TSX2E
DATE Ø3/16/18 Ø8:43:56    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  1
                                                                SELECTION   6

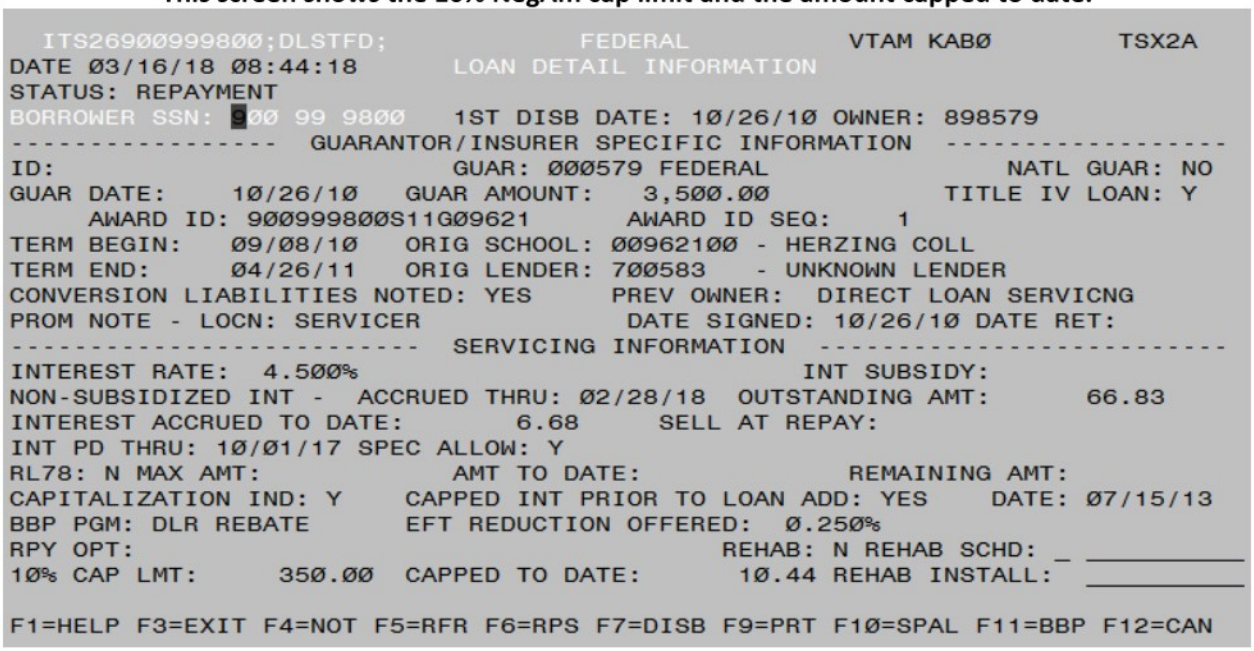
 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                  LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                           REVERSAL REASON:
 FIN ACTY AMT:        Ø.ØØ               REJECT REASON:

              INT REBATE    NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:        Ø.ØØ         10.44                        Ø.ØØ
APPLIED AMT:        Ø.ØØ         10.44CR        Ø.ØØ          Ø.ØØ          Ø.ØØ
 REMAIN BAL:        Ø.ØØ          Ø.ØØ                        Ø.ØØ

    TRANSACTION TYPE: CAP                        EFFECTIVE DATE: Ø7/Ø1/17
TRANSACTION SUB-TYPE: AUTOMATIC                ORIG APPLIED DATE: 10/Ø2/17
         POSTED DATE: 10/Ø2/17                      DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                              BATCH:
          BATCH CODE:                                PAID AHEAD:
  INTEREST PAID THRU: Ø6/3Ø/17                 APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F1Ø=LEFT F11=RIGHT F12=CAN
```

This screen shows the 10% NegAm cap limit and the amount capped to date.



```
  ITS26900999800;DLSTFD;            FEDERAL          VTAM KABØ        TSX2A
DATE Ø3/16/18 Ø8:44:18      LOAN DETAIL INFORMATION
STATUS: REPAYMENT
BORROWER SSN: 900 99 9800   1ST DISB DATE: 10/26/10 OWNER: 898579
-----------------  GUARANTOR/INSURER SPECIFIC INFORMATION  ------------------
ID:                         GUAR: ØØØ579 FEDERAL              NATL GUAR: NO
GUAR DATE:    10/26/10   GUAR AMOUNT:    3,500.ØØ          TITLE IV LOAN: Y
     AWARD ID: 900999800S11G09621      AWARD ID SEQ:    1
TERM BEGIN:   Ø9/Ø8/10   ORIG SCHOOL: ØØ962100 - HERZING COLL
TERM END:     Ø4/26/11   ORIG LENDER: 700583   - UNKNOWN LENDER
CONVERSION LIABILITIES NOTED: YES     PREV OWNER:  DIRECT LOAN SERVICNG
PROM NOTE - LOCN: SERVICER             DATE SIGNED: 10/26/10 DATE RET:
--------------------------  SERVICING INFORMATION  --------------------------
INTEREST RATE:  4.500%                              INT SUBSIDY:
NON-SUBSIDIZED INT -  ACCRUED THRU: Ø2/28/18  OUTSTANDING AMT:      66.83
INTEREST ACCRUED TO DATE:       6.68     SELL AT REPAY:
INT PD THRU: 10/Ø1/17 SPEC ALLOW: Y
RL78: N MAX AMT:              AMT TO DATE:            REMAINING AMT:
CAPITALIZATION IND: Y    CAPPED INT PRIOR TO LOAN ADD: YES    DATE: Ø7/15/13
BBP PGM: DLR REBATE      EFT REDUCTION OFFERED:  Ø.25Ø%
RPY OPT:                                    REHAB: N REHAB SCHD: _ __________
1Ø% CAP LMT:     35Ø.ØØ  CAPPED TO DATE:      1Ø.44 REHAB INSTALL:  __________

F1=HELP F3=EXIT F4=NOT F5=RFR F6=RPS F7=DISB F9=PRT F1Ø=SPAL F11=BBP F12=CAN
```

This screen shows the queue (workflow) task based on deferment beginning prior to loan effective add

```
  ITX6X01;01;;;                      FEDERAL          VTAM KAFW          TXX71
DATE 06/07/18 11:00:36             TASKS  SELECTION                 PAGE  1 OF  1

QUEUE 01 - SPECIALTY WORK        SUBQUEUE 01 - SPECIALTY WORK
                                                  DATE       DATE
SEL SSN/ACTY              ACTION REQUEST          REQUESTED  REQUIRED   CC STATUS

  1 9009998000001          G111Q - NEW PRECON  04/06/2017 04/16/2017 N      U
EFFECTIVE DATE OF ADJUSTMENT IS LESS THAN THE LOAN EFFECTIVE ADD DATE
ADJ EFF =              EFF ADD = 04/04/2017   1ST DISB = 01/19/2010
  2 9009998000002          G111Q - NEW PRECON  04/06/2017 04/16/2017 N      U
EFFECTIVE DATE OF ADJUSTMENT IS LESS THAN THE LOAN EFFECTIVE ADD DATE
ADJ EFF =              EFF ADD = 04/04/2017   1ST DISB = 10/26/2010




      SELECTION __

F1=HELP  F2=UTSK  F3=EXIT  F5=RFR  F7=BKWD  F8=FWD  F9=PRT  F12=CAN
```

The user would create and adjustment to rebuild the loan from deferment begin date (4/1/2017)

```
  CTS6C900999800;001;                FEDERAL          VTAM KAFW          TSX57
DATE 06/07/18 11:12:06   PRE-CONVERSION FINANCIAL TRANSACTIONS
REQUEST NUMBER: 001    TYPE: ADVICE     DATE: 06/07/18          STATUS: PENDING
BORROWER SSN: 900-99-9800 NAME: HOLLY A SMITH
1ST DISB: 10/26/2010 OWNER: 898579   - U.S. DEPT OF ED        LOAN PGM: DLSTFD
EFF ADD DATE: 04/04/2017
    EFF     TYPE   CUR PRI    INTEREST    NSI       REBATE     LTE FEE     SUB
    DATE    /SUB   BALANCE     BALANCE    ACCR       BAL         BAL     INT BAL
  04 01 17 00 00    3604.78        9.11     0.00       18.00       0.00 _________
  04 04 17 90 01    3604.78        9.11     0.00       18.00       0.00        1.33
  __ __ __ __ __ __________ __________ __________ __________ __________ _________
  __ __ __ __ __ __________ __________ __________ __________ __________ _________
  __ __ __ __ __ __________ __________ __________ __________ __________ _________
  __ __ __ __ __ __________ __________ __________ __________ __________ _________
  __ __ __ __ __ __________ __________ __________ __________ __________ _________
  __ __ __ __ __ __________ __________ __________ __________ __________ _________
  __ __ __ __ __ __________ __________ __________ __________ __________ _________
  __ __ __ __ __ __________ __________ __________ __________ __________ _________
  __ __ __ __ __ __________ __________ __________ __________ __________ _________
NEW CONV - PRI   3,604.78  INT       9.11  REBATE       18.00  LTE FEE      0.00
  SUB INTEREST      1.33   NEXT PAY DU: __________     PART PAY DU: __________

F1=HLP F2=APL F3=EXT F5=RFR F6=PST F7=BKW F8=FWD F9=PRT F10=CLC F12=CAN
```

This screen shows the summary of the pre-conversion adjustment and the reduction in non-sub interest

```
  ATS44900999800;;                  FEDERAL          VTAM KAFW         TSX58
DATE 06/07/18 11:12:25    PRE-CONVERSION FINANCIAL SUMMARY

REQ NBR: 001 RPT NBR:              TYPE: ADVICE DATE: 06/07/18 STATUS: PENDING
BORROWER SSN: 900-99-9800 NAME: HOLLY A SMITH

FIRST                                                    NON SUB
DISB DATE                 PRINCIPAL        REBATE       INTEREST     LATE FEES
01/19/10 CONVERSION        3,630.39         36.00          13.02          0.00
     RPT NET CASH ADJ          0.00          0.00           0.00          0.00
     RPT NET ADVC ADJ          0.00          0.00           0.00          0.00
     ADJ OFFSET               36.00          0.00           1.67 CR       0.00
     ADJ CONV              3,666.39         36.00          11.35          0.00
     SUB INT ADJ               1.67

10/26/10 CONVERSION        3,604.78         18.00          10.44          0.00
     RPT NET CASH ADJ          0.00          0.00           0.00          0.00
     RPT NET ADVC ADJ          0.00          0.00           0.00          0.00
     ADJ OFFSET               18.00          0.00           1.33 CR       0.00
     ADJ CONV              3,622.78         18.00           9.11          0.00
     SUB INT ADJ               1.33


F1=HELP   F3=EXIT   F5=RFR   F7=BKWD   F8=FWD   F9=PRT   F11=ADJ   F12=CAN
```

This screen shows the pending adjustment as a result of the pre-conversion adjustment

```
  ITS4L900999800;;                  FEDERAL          VTAM KAFW         TSX4J
DATE 06/07/18 11:14:47 BORROWER ADJUSTMENT REQUEST SELECTION  PAGE   1 OF   1

BORROWER SSN  900-99-9800    NAME HOLLY A SMITH

     DATE ADJUSTMENT     STATUS OF       ADJUSTMENT REQUEST TYPE
       REQUESTED         REQUEST
  1    06/07/18          PENDING         PRE-CONVERSION ADJUSTMENT
  2    06/07/18          ACTIVE          SUBSIDIZED INTEREST ADJUSTMENT
  3    06/07/18          ACTIVE          SUBSIDIZED INTEREST ADJUSTMENT
  4    10/02/17          ACTIVE          INTEREST CAP
  5    10/02/17          ACTIVE          INTEREST CAP
  6    04/06/17          ACTIVE          DEFERMENT/FORBEARANCE
  7    04/06/17          ACTIVE          DEFERMENT/FORBEARANCE




     SELECTION

F1=HELP   F3=EXIT   F5=RFR   F7=BKWD   F8=FWD   F9=PRT   F12=CAN
```

This screen shows the financial activity after the adjustment processed

```
  ITS2C900999800;DLSTFD;              FEDERAL            VTAM KAFW          TSX2D
DATE 06/07/18 11:28:05        LOAN FINANCIAL ACTIVITY              PAGE  1 OF  2

BORROWER SSN: 900-99-9800  NAME: SMITH, HOLLY A
1ST DISB: 10/26/10 LN SEQ: 0002  LN PGM: DLSTFD     OWN: 898579  -U.S. DEPT O
GUARANTOR: FEDERAL               CUST ACCT:  FSA1  ORIG BAL:   3,500.00
BOND ISSUE:             PD AHEAD:     STATUS: ACTIVE      CURR BAL:   3,613.89

     REV  EFFECTIVE   POSTED     TRAN        TRAN       INTEREST      PRINCIPAL
     REA    DATE       DATE      TYPE       AMOUNT      ACCRUED       BALANCE
 1         06/01/18   06/01/18  9101A         0.00        13.81       3,613.89
 2         05/01/18   05/01/18  9101A         0.00        13.36       3,613.89
 3         04/01/18   04/01/18  9101A         0.00        13.81       3,613.89
 4         03/01/18   03/01/18  9101A         0.00        12.47       3,613.89
 5         02/01/18   02/01/18  9101A         0.00        13.81       3,613.89
 6         01/01/18   01/01/18  9101A         0.00        13.81       3,613.89
 7         12/01/17   12/01/17  9101A         0.00        13.36       3,613.89
 8         11/01/17   11/01/17  9101A         0.00        13.36       3,613.89
 9         07/01/17   06/07/18  7001A         0.00         0.00       3,613.89
10         04/04/17   06/07/18  8003A         1.33CR       0.00       3,604.78

      SELECTION

F1=HELP   F3=EXIT   F5=RFR   F7=BKWD   F8=FWD   F9=PRT   F12=CAN
```

The next 2 screens show the original conversion transaction remains unchanged

```
  ITS2C900999800;DLSTFD;            FEDERAL          VTAM KAFW        TSX2E
DATE 06/07/18 11:28:24   LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  2 OF  2
                                                               SELECTION   1

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:   3,633.22               REJECT REASON:

              PRINCIPAL     INTEREST     LATE FEE     ACCRUAL      INEL PRIN
  PRIOR BAL:       0.00         0.00         0.00                      0.00
APPLIED AMT:   3,604.78        10.44         0.00         0.00         0.00
 REMAIN BAL:   3,604.78        10.44         0.00                      0.00

    TRANSACTION TYPE: CONVERSION              EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: PURCHASE              ORIG APPLIED DATE: 04/05/17
         POSTED DATE: 04/05/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                            BATCH:
          BATCH CODE:                           PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

```
  ITS2C900999800;DLSTFD;            FEDERAL          VTAM KAFW        TSX2E
DATE 06/07/18 11:28:48   LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  2 OF  2
                                                               SELECTION   1
 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:   3,633.22               REJECT REASON:

              INT REBATE    NEGAM INT     ACCRUAL    CAPPABLE INT    ACCRUAL
  PRIOR BAL:      18.00CR         0.00                       0.00
APPLIED AMT:      18.00         10.44         0.00         0.00         0.00
 REMAIN BAL:       0.00         10.44                      0.00

    TRANSACTION TYPE: CONVERSION              EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: PURCHASE              ORIG APPLIED DATE: 04/05/17
         POSTED DATE: 04/05/17                   DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED         REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                            BATCH:
          BATCH CODE:                           PAID AHEAD:
  INTEREST PAID THRU:                       APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

This screen shows the new financial transaction reducing interest

```
  ITS2C900999800;DLSTFD;              FEDERAL           VTAM KAFW         TSX2E
DATE 06/07/18 11:29:10    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  2
                                                                SELECTION  10

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                  LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                          REVERSAL REASON:
 FIN ACTY AMT:        1.33CR            REJECT REASON:

              PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:    3,604.78        10.44          0.00                       0.00
APPLIED AMT:        0.00         1.33CR        0.00          0.00         0.00
 REMAIN BAL:    3,604.78         9.11          0.00                       0.00

    TRANSACTION TYPE: PR-CVN ADJ               EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: AUTO SYS                ORIG APPLIED DATE: 06/07/18
         POSTED DATE: 06/07/18                     DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                              BATCH:
          BATCH CODE:                              PAID AHEAD:
  INTEREST PAID THRU:                          APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

This screen shows the reduction to the NegAm category

```
  ITS2C900999800;DLSTFD;              FEDERAL           VTAM KAFW         TSX2E
DATE 06/07/18 11:29:25    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  2
                                                                SELECTION  10

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                  LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                          REVERSAL REASON:
 FIN ACTY AMT:        1.33CR            REJECT REASON:

              INT REBATE    NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:        0.00        10.44                         0.00
APPLIED AMT:        0.00         1.33CR        0.00          0.00         0.00
 REMAIN BAL:        0.00         9.11                         0.00

    TRANSACTION TYPE: PR-CVN ADJ               EFFECTIVE DATE: 04/04/17
TRANSACTION SUB-TYPE: AUTO SYS                ORIG APPLIED DATE: 06/07/18
         POSTED DATE: 06/07/18                     DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED           REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                              BATCH:
          BATCH CODE:                              PAID AHEAD:
  INTEREST PAID THRU:                          APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

The next 2 screens show the updated NegAm cap effective 7/1/2017

```
  ITS2C900999800;DLSTFD;              FEDERAL          VTAM KAFW         TSX2E
DATE 06/07/18 11:29:47    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  2
                                                                SELECTION   9

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:       0.00             REJECT REASON:

              PRINCIPAL      INTEREST     LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:   3,604.78          9.11         0.00                       0.00
APPLIED AMT:       9.11          9.11CR       0.00          0.00         0.00
 REMAIN BAL:   3,613.89          0.00         0.00                       0.00

    TRANSACTION TYPE: CAP                        EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC                ORIG APPLIED DATE: 06/07/18
         POSTED DATE: 06/07/18                      DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED             REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                               BATCH:
          BATCH CODE:                                PAID AHEAD:
  INTEREST PAID THRU: 06/30/17                 APPLIED CUST ACCT: FSA1

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
```

```
  ITS2C900999800;DLSTFD;              FEDERAL          VTAM KAFW         TSX2E
DATE 06/07/18 11:30:01    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  2
                                                                SELECTION   9

 BORROWER SSN: 900 99 9800 NAME: SMITH, HOLLY A
     1ST DISB: 10/26/10                LOAN PROGRAM: DLSTFD
        OWNER: 898579  -U.S. DEPT OF ED   GUARANTOR: FEDERAL
  SCHD NUMBER:              SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                        REVERSAL REASON:
 FIN ACTY AMT:       0.00             REJECT REASON:

             INT REBATE    NEGAM INT      ACCRUAL     CAPPABLE INT    ACCRUAL
  PRIOR BAL:       0.00          9.11                        0.00
APPLIED AMT:       0.00          9.11CR       0.00           0.00          0.00
 REMAIN BAL:       0.00          0.00                        0.00

    TRANSACTION TYPE: CAP                        EFFECTIVE DATE: 07/01/17
TRANSACTION SUB-TYPE: AUTOMATIC                ORIG APPLIED DATE: 06/07/18
         POSTED DATE: 06/07/18                      DEPOSIT DATE:
       APPLIED OWNER: U.S. DEPT OF ED             REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                               BATCH:
          BATCH CODE:                                PAID AHEAD:
  INTEREST PAID THRU: 06/30/17                 APPLIED CUST ACCT: FSA1

F1=HELP F2=SET1 F3=EXIT F4=REAP F5=RFR F9=PRT F10=LEFT F11=RIGHT F12=CAN
```

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 6 May 2016 16:31:29 -0400
To: Allen, Heather;Mahon, Karen;Battle, Cynthia;Jackson, Lateata;Foss, Ian;Bubel, Susan
Cc: PHEAACRs
Subject: FSA CR 2785

Good Afternoon,

As promised, PHEAA has reviewed our implementation schedule for FSA CR 2785 and believe we can implement this change by December 31, 2016. As I'm sure you understand, doing so requires an aggressive build and QA schedule.

We will keep you informed of any changes to this schedule as we progress. Please let me know if you have any additional questions or concerns.

Thank you!

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | (b)(6)

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: Jackson, Lateata
Sent: 7 Feb 2017 19:06:31 +0000
To: Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Bubel, Susan;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Washington, Patrice;Smith, Lynn;Pilant, Nicholas;Brown, Lenny;Ratchford, Sabrina;Mahon, Karen;Allen, Heather;Jones, Robert E.;Leavitt, Katharine
Cc: Reaves, Michelle;Espinosa, Kimberly;Kang, Soo
Subject: FSA DISCUSSION - CR 2785 & CR 3835 for Nelnet, EdFinancial, Granite State and OSLA
Attachments: CR 3835 NN 10-25-16 Revised 2 and examples.pdf

Based on Bob's research (thank you Bob) this is the version approved by FSA for us to discuss with Nelnet and the NFPs on Monday, February 13, 2017. Thank you all for your help in getting this resolved.

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U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

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Title IV Additional Servicers (TIVAS) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR) #:	3835
CR Title:	Companion CR for 2785_Nelnet Platform: PFH loans
TIVAS:	☐ Great Lakes ☒ Nelnet ☐ PHEAA ☐ Navient

High Level Approach:

During the cleanup process of the Nelnet Tiger Team Issue G (Nelnet Issue C) in 2015, Nelnet was given direction by FSA to include PFH deferments as part of the criteria for determining back to back deferment scenarios. The direction given at that time is not consistent with the current direction given to the servicers through CR 2785, Requirement 5069.000.

This CR is drafted as a companion to CR2785 for Nelnet and their platform users to address the discrepancy in FSA guidance and be sure that Nelnet's solution is in compliance with CR2785.

Requirements:

10/5/2016 - For planning purposes, FSA is requesting servicers submit a revised assessment assessing the Level of Effort (LOE) and Rough Order of Magnitude (ROM) and proposing an appropriate implementation date if the servicers were to re-implement the barrier date functionality previously removed.

FSA is requesting that Nelnet make the necessary system changes to the PFH deferment back to back logic to achieve the expected outcome outlined in CR 2785. FSA recognizes that the direction given to Nelnet in 2015 while working the Nelnet Tiger Team issues for handling PFH deferments is inconsistent with what is described in CR 2785.

FSA is not requesting Nelnet to modify any accounts done under the clean-up process of the Tiger Team Issue G or subsequent accounts placed in that condition since based on the incorrect logic until the implementation of CR 2785 but is requesting that the servicer identify and place a system comment on the accounts that fall into this condition for future reference. The comment should read the following:

Account part of the 2015 FSA TT Issue G (NN C) cleanup and contained PFH def.

Requirements From CR2785

5069.00 The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.

5069.01 The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement. A series of consecutive status changes (back to back) only applies to deferment and forbearance and not to PFH. This DOES NOT apply to caps between back to back deferment, forbearance and PFH periods.

Nelnet Solution Summary:

- Modify the Nelnet servicing system to exclude periods of Partial Financial Hardship (PFH) when calculating a series of consecutive status changes (back to back) that would otherwise result in interest capitalization. Nelnet will now only include periods of deferment and forbearance and will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.
- Nelnet will identify all accounts that included periods of PFH in the calculation of a back to back deferment/forbearance scenario.
- Nelnet will place a comment on all accounts that are included in the identified population. However, the comment needs to be limited to 60 characters to use only a single history line, so we are asking for approval of the following comment:
  'Acct part of 2015 FSA TT Issue G cleanup and included PFH'
- Nelnet will provide completed artifacts for CR2785 as a deliverable of this CR.
- Nelnet will change the system to no longer automatically adjust the placement of interest capping events that were processed under previous logic, except in the case where the cap event is related directly to a transaction being processed/canceled or subsequent to a transaction being processed/canceled. (See attached examples.)

Risks:

1) TIVAs have questions outstanding with FSA regarding the guidance for CR2785 which may introduce additional changes.
2) Nelnet needs to complete the development/testing effort for this CR prior to completing the artifacts for CR2785.

Assumptions:

1) The term 'PFH deferment' in the CR is always referencing a period of Partial Financial Hardship within an IDR repayment plan, and is not related to or considered a deferment period.
2) FSA will approve the requested revision of the comment to be placed on each account to accommodate a 60 character per history line limitation.
3) Identification of accounts previously serviced by VSAC will be identified on the prior database, but the comment will be placed on the transferred account within the Nelnet database.
4) The identification process will include paid in full and transferred loans, but no notification will be sent to subsequent servicers or DMCS.
5) No additional changes will be needed for accounts where capitalization events may have already been previously adjusted under new logic, since the majority of the changes related to CR2785 guidance has already been implemented.

ROM:
(Hours/LOE ONLY. DO NOT include any cost information.)

- IT Hours: 972 hours
  - Development and Coding – 200 hours
  - Testing – 72 hours
    - Modify the Nelnet servicing system to exclude periods of Partial Financial Hardship (PFH) when calculating a series of consecutive status changes (back to back) that would otherwise result in interest capitalization. Nelnet will now only include periods of deferment and forbearance and will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.
      - Development – 100 hours
      - Testing – 41 hours
    - Nelnet will identify all accounts that included periods of PFH in the calculation of a back to back deferment/forbearance scenario.
      - Development – 75 hours
      - Testing – 27 hours
    - Nelnet will place a comment on all accounts that are included in the identified population. However, the comment needs to be limited to 60 characters to use only a single history line, so we are asking for approval of the following comment: 'Acct part of 2015 FSA TT Issue G cleanup and included PFH'
      - Development – 25 hours
      - Testing – 4 hours
    - Nelnet will provide completed artifacts for CR2785 as a deliverable of this CR. – Hours included on CR2785 assessment
  - Prevention of automatic adjustment of capping events – 700 hours
    - Development – 200 hours
    - Testing – 500 hours

	• Operational Hours: 4 hour ○ Procedures/Process Updates – 4 hour • NFP Client: 96 ○ Support and Impact Identification - 96 Total Hours: 1072 hours
Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	Artifact delivery: 2/7/17 if approval is received from FSA by 11/1/16. Implementation date: 2/14/17 (based on 2/7/17 artifact delivery/approval)
Alternative Solution(s) Proposed: *(If Applicable)*	

Servicer Contact:

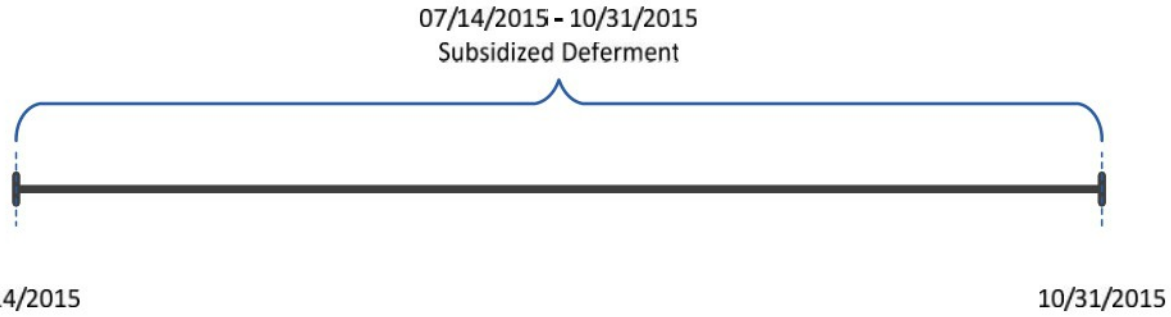
Name:	Phone #:	Email:
(b)(4); (b)(6)		@nelnet.net

With the implementation of CR3835, Nelnet will no longer automatically adjust past capping events to follow current FSA guidance, unless the event is specifically related to the transaction being processed or is subsequent to the transaction being processed.

Example #1

Prior to guidance given in the Job Aid for CR2785

No interest capitalization took place at the end of a Subsidized Deferment.



After the implementation of CR2785

The system was changed to cap all outstanding regular interest at the end of ***all*** deferment periods, except in the case of a postponed cap. Accounts were not adjusted at the time of the logic change to add caps to existing history. However if a subsequent event triggered an evaluation of capping history, the cap would have been automatically added to follow FSA's guidance to cap at the end of the subsidized deferment.

Activity:

A deferment is added 9/1/16 – 9/29/16

Adjusting caps:

- The account was adjusted to add the missing deferment cap 11/1/15.



After the implementation of CR3835

The cap evaluation will no longer automatically adjust past capping events to follow current FSA guidance, unless the event is specifically related to the transaction being processed or is subsequent to the transaction being processed.

Activity:

A deferment is added 9/1/16 – 9/29/16

Adjusting caps:

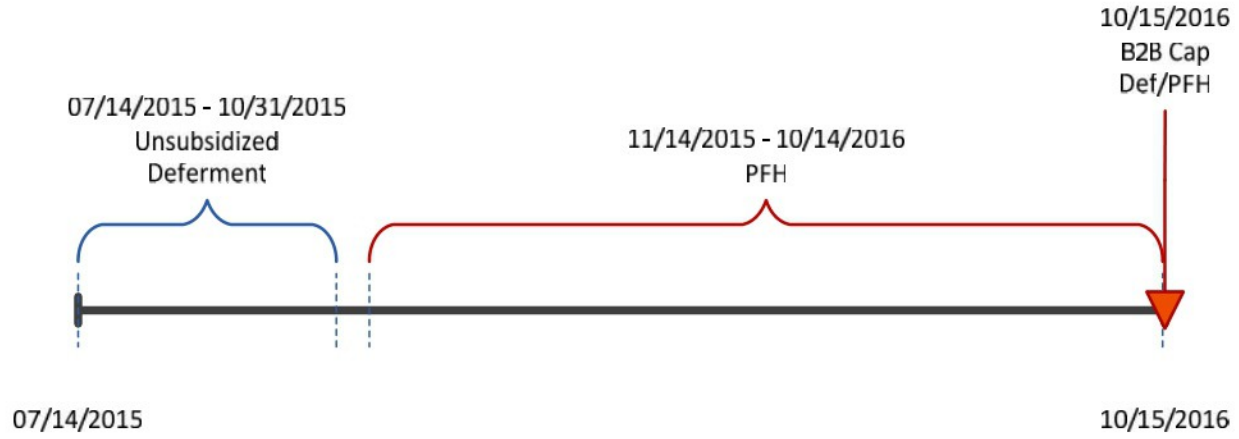
- NO adjustment will be made to add the missing deferment cap on 11/1/15.



Example #2

Prior to CR3835

PFH was considered back to back with deferment/forbearance periods and all caps were delayed until the final capping event.



After the implementation of CR3835

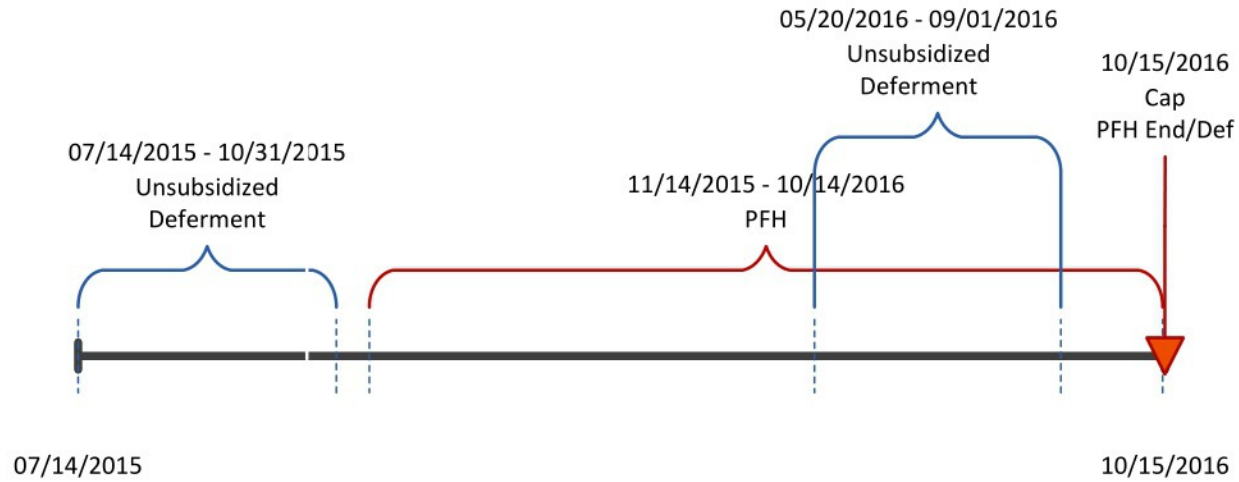
PFH will no longer be considered when determining back to back periods.

Activity:

A deferment is backdated 5/20/16-9/1/16

Adjusting caps:

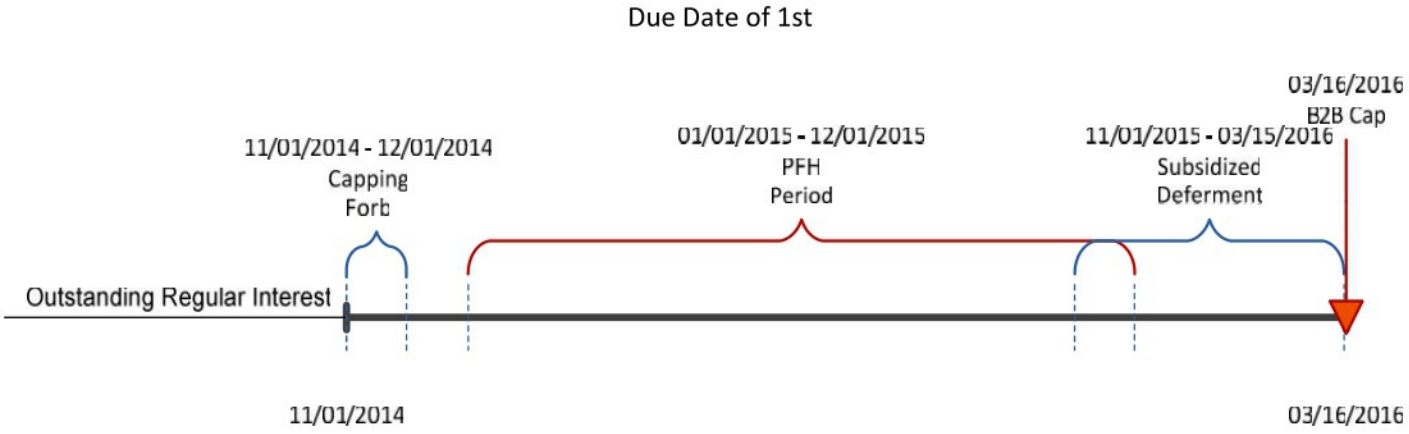
- NO cap is added after the 10/31/15 deferment because it is not related to the deferment being processed.
- All outstanding interest is capitalized at the end of the PFH period.



Example 3:

Prior to CR3835

PFH was considered back to back with deferment/forbearance periods and all caps were delayed until the final capping event.



After the implementation of CR3835

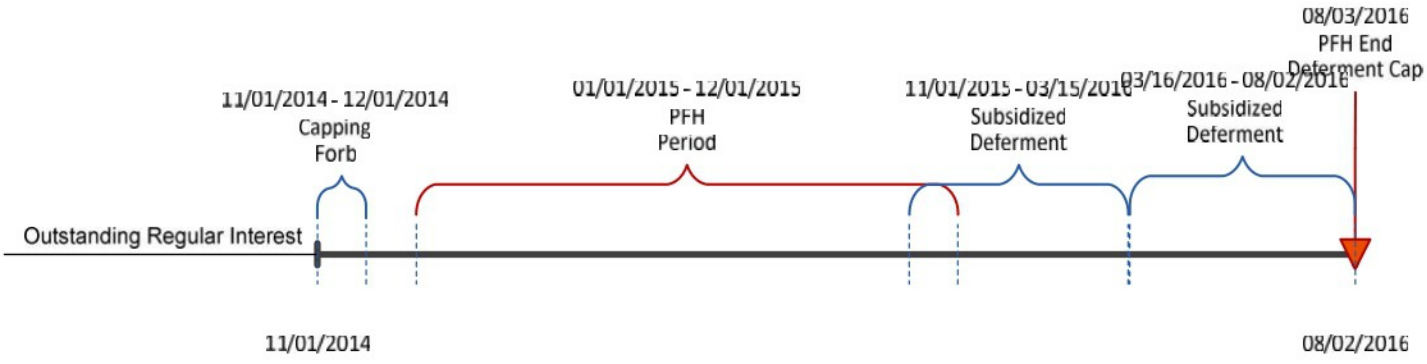
PFH will no longer be considered when determining back to back periods.

Activity:

A deferment is added 3/16/16-8/2/16

Adjusting caps:

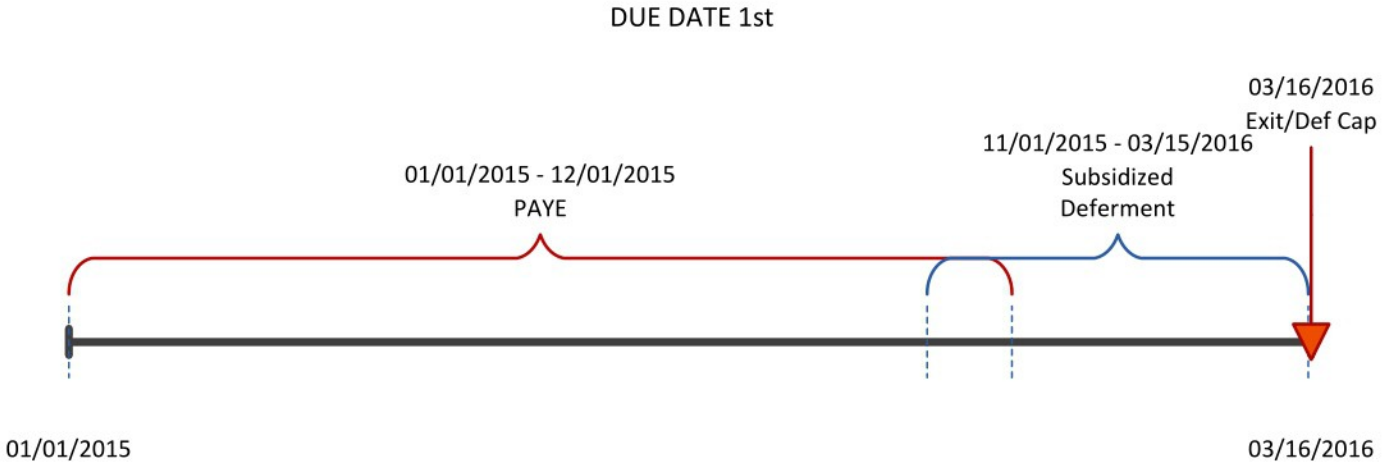
- NO adjustment is made to add the missing forbearance cap on 12/2/14 as it is unrelated to the deferment being processed.
- Cap IS removed on 3/16/16 because it is related to the deferment being processed which now creates a back to back situation with the prior deferment.
- Cap is added on 8/3/16 coinciding with the end of the new deferment being processed.
    - All outstanding regular interest is included in the cap.



Example #4:

Prior to new IDR exit guidance (change being made with CR3835)

If a borrower was in deferment or forbearance at the time they exited from IDR, the exit cap was delayed to the end of the deferment/forbearance.



After the implementation of CR3835 (IDR exit change)

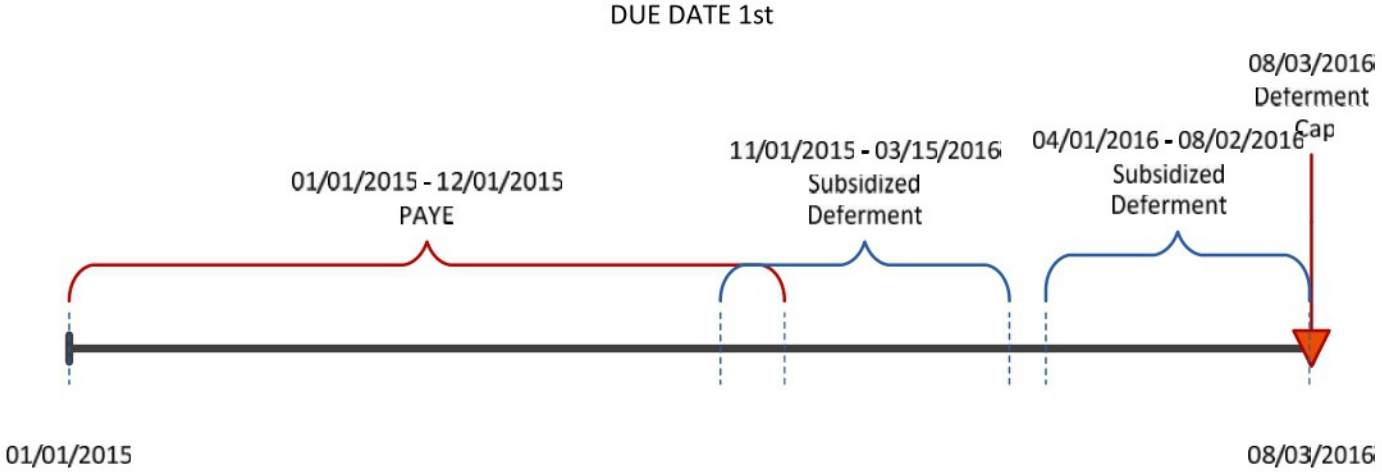
An IDR exit cap will happen immediately, even if the borrower is in deferment or forbearance.

Activity:

A deferment is backdated to 4/1/16-8/2/16 creating a back to back deferment situation.

Adjusting caps:

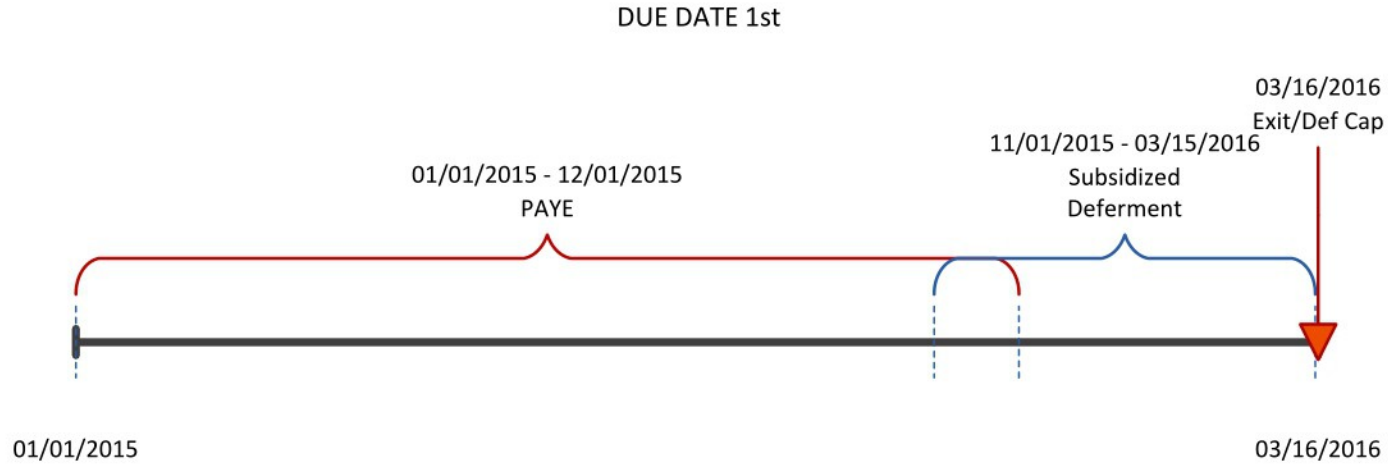
- NO adjustment is made to ***add*** the PAYE exit cap on 12/2/15 as it is prior to the transactions related to the deferment being processed.
- Cap IS removed on 3/16/16 because it is related to the deferment being processed which now creates a back to back situation with the prior deferment.
- Cap is added on 8/3/16 coinciding with the end of the new deferment being processed.
    - All outstanding regular interest is included in the cap.



Example #5:

Prior to new IDR exit guidance (change being made with CR3835)

If a borrower was in deferment or forbearance at the time they exited from IDR, the exit cap was delayed to the end of the deferment/forbearance.



After the implementation of CR3835 (IDR exit change)

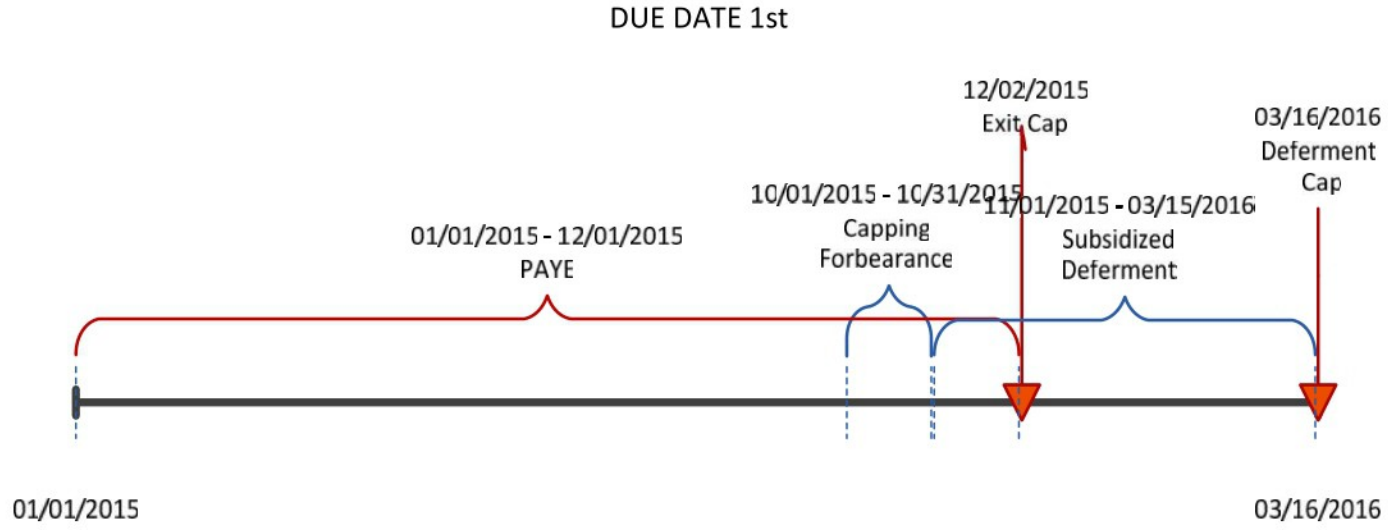
An IDR exit cap will happen immediately, even if the borrower is in deferment or forbearance.

Activity:

A capping forbearance is backdated to 10/1/15 – 10/31/15.

Adjusting caps:

- The PAYE exit cap is added on 12/2/15 under the new exit logic as it is subsequent to the transaction being processed.
    - This cap includes all outstanding regular interest through 12/1/15 (exit from PAYE)
- Cap remains on 3/16/16 as it is the end of the back to back forbearance/deferment period.
    - All outstanding regular interest is included in the cap. (12/2/15 – 3/15/16)



From: Chialastri, Taneka
Sent: 10 Mar 2016 16:13:00 +0000
To: Battle, Cynthia;Foss, Ian;Jackson, Lateata
Cc: Bubel, Susan
Subject: FW: 2785 meeting room

I booked 44A1 for the 1 o'clock 2785 meeting.

-----Original Appointment-----
From: WDCUCP-T-44A1
Sent: Thursday, March 10, 2016 11:08 AM
To: Chialastri, Taneka
Subject: Accepted: 2785 meeting
When: Thursday, March 10, 2016 1:00 PM-2:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: WDCUCP-T-44A1;

Your request was accepted.

Sent by Microsoft Exchange Server 2016

From: Isett, Christine A.
Sent: 1 Jun 2015 12:20:58 -0500
To: Foss, Ian
Cc: May, Todd
Subject: FW: Capitalization of interest on FFEL loans

Hi Ian,

In the email below, a requestor asks how frequently is interest capitalized on FFELP loans?

He/She (?) also asks about the citation and asks if we're able to confirm if lenders should capitalize interest at the quarterly frequency.

Are you the right person to ask in PLI?

Thank you,

(b)(4); (b)(6)

-----Original Message-----

From: (b)(6) cmu.edu [mailto: (b)(6) cmu.edu]

Sent: Friday, May 29, 2015 4:51 PM

To: Greene, Chris

Cc: Isett, Christine A.

Subject: Capitalization of interest on FFEL loans

Dear Mr. Green and Ms. Isett,

(b)(6)

We are working on a project with loan level data provided by a credit bureau. Our data does not directly identify whether a loan is federal or private. In order to jointly test the validity of our classification of loans as either federal or private and our method to infer interest rate from balance and payment variables, we would need an answer to the following question: how frequently is interest capitalized on FFELP loans?

So far, my search for an answer has only produced a partially satisfying

answer: interest can be capitalized no more frequently than quarterly on PLUS FFELP loans. The information could be found in 20 U.S. Code § 1078–2.

I have not been able to find similar information for Stafford and Consolidation Loans. Could you please direct me to sources that contain the desired information?

Finally, the Act is worded as only placing a lower bound on the frequency of the capitalization of interest by FFELP lenders. An argument can be made, that the most frequent the capitalization of interest, the higher the cash flows needed to repay a loan in full, therefore, lenders should capitalize interest at the quarterly frequency. Does your knowledge of industry practices allows you to confirm that this is the case?

Many thanks in advance for you effort at answering our questions.

(b)(6)

Carnegie Mellon University

(b)(6)

From: (b)(4); (b)(6)
Sent: 3 Jan 2017 19:38:55 +0000
To: Jackson, Lateata
Cc: Battle, Cynthia;Bubel, Susan;Chialastri, Taneka;Foss, Ian; (b)(4); (b)(6) @glhec; (b)(4); (b)(6) Servicing Operations; (b)(4); (b)(6)
Subject: FW: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016
Attachments: CR 2785 Servicer Q&A Update 122116.docx

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

Lateata,

Happy New Year! Great Lakes has had an opportunity to review and discuss the attached guidance and proposed changes to the Neg Am accrual and capping rules. (b)(5)

(b)(5)

Thank you,
Jamie

(b)(4); (b)(6)
Manager – Servicing Operations
☎ (b)(6) |Mobile (b)(6) | F: (b)(6) | ✉ @glhec.org
Great Lakes Educational Loan Services, Inc.

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, December 22, 2016 11:32 AM
To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Please see the attached correction made by FSA

La Teata Jackson
Change Management Division

Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Wednesday, December 14, 2016 2:07 PM
To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point is in regards to subsidy benefits. We are working to get a response to that and will send out another update once we have it.

<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

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Loss of PFH during Deferment / Forbearance

It has been brought to our attention that there is some contradiction in our response to capitalization at the time of loss of PFH during a deferment/or forbearance. FSA provided guidance earlier last week that loss of PFH should be handled the same as exiting a plan to make the processes consistent and make the process easier to handle and explain to borrowers instead of "if, then" scenarios.

Currently there are the following requirements addressing this scenario:

5066.02	FSA CR 1492 Requirement	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.04	FSA CR 1492 Requirement	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.

With this being called out, we are assuming you all already have your systems handling the loss of PFH this way already and at this point we will not ask you to change that logic. I apologize for the confusion, but it was an oversight that there was already a requirement addressing this scenario.

FSA has updated the responses to address the change in response.

Neg Am Clarification

With the changes in CR2785 there have been many questions regarding Neg Am accrual and clarification. As we worked through these questions and received more and more scenarios from the servicers FSA would like to propose an approach that hopefully will make handling and explaining Neg Am to borrowers easier.

If a borrower is in ICR or in the Alt Neg Am repayment plan all of the Neg Am rules apply

- Annual capping
- 10% limit
- Neg AM is not included in Deferment or forbearance capping

If a borrower leaves ICR or Alt Neg, the outstanding Neg Am interest can be treated as regular interest. It can be included in capping events and no need to track until June 30th.

FSA is looking for feedback form the servicers if they are in agreement with this approach and if there are any concerns as you all are quite a way into the CR2785 work effort and we were unsure of any changes you had made to the Neg AM interest handling based on your questions.

We are hoping this is an approach all servicers agree with and can accommodate.

Once we get confirmation of accommodation, FSA will go back through all of the Q&A's as well as the examples to be sure the approach is clear.

From: Jackson, Lateata
Sent: 23 Feb 2015 13:58:02 -0600
To: Bubel, Susan;Battle, Cynthia;Foss, Ian;Meadows, Kim
Subject: FW: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Attachments: Copy of Neg Am Capping.xlsx
Importance: High

More questions on the questions…

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)
Sent: Monday, February 23, 2015 2:34 PM
To: Jackson, Lateata; (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email '; (b)(4); (b)(6) (b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn; (b)(6) (b)(4); (b)(6) Washington, Patrice; Meadows, Kim; (b)(4); (b)(6) (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) ; Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Importance: High

Afternoon La Teata,

During our review of the updated requirement and job aid document (b)(5)

(b)(5)

(b)(5)

Please let me know if you have any questions. I have attached the example in a detailed Excel spreadsheet as well – Loan Proration tab.

Thank you

(b)(4); (b)(6)

Navient

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Monday, February 23, 2015 12:12 PM
To: (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email '; (b)(4); (b)(6) (b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn; (b)(6) Washington, Patrice; Meadows, Kim; (b)(4); (b)(6) (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)

Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

From our clarification meeting held on 2/4/2015 FSA revised CR 2785, the Job Aid and the Q&As. We moved the Implementation date out to May 11, 2015 and asked for assessments by 2/25/2015.

Attached, is a full workbook of the CR 1495 and CR 2785 requirements, samples, Q&As etc. Additionally, we received some follow-up questions and have answered them under the CR 2785 Q&A tab. Further, a correction to the Job Aid was needed so you will find an updated version of that as well.

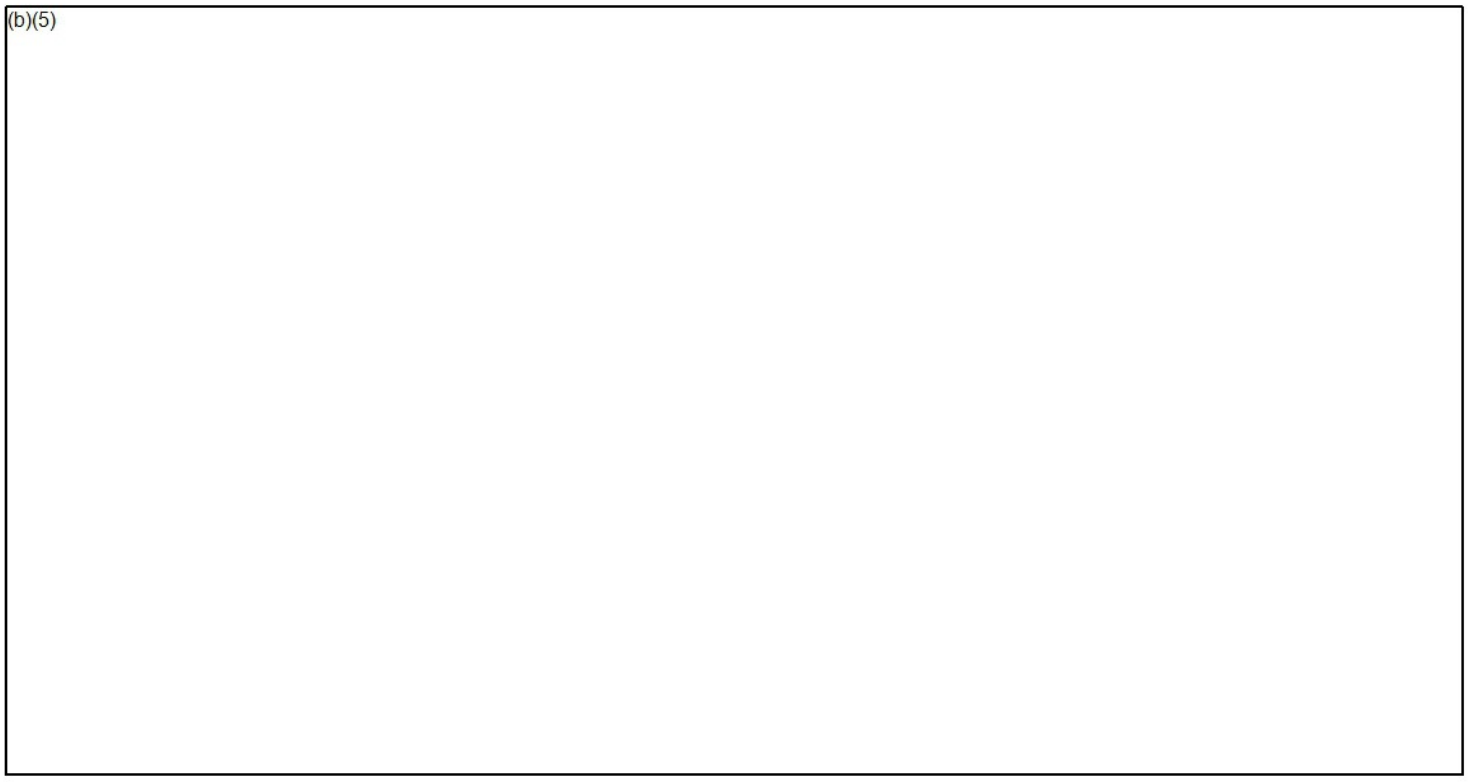
We are looking forward to receiving your assessments by 2/25/2015

La Teata Jackson
Change Management Division
Federal Student Aid

U.S. Department of Education
desk - (202)377-3269
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(b)(5)


(b)(5)

From: Jackson, Lateata
Sent: 18 Feb 2015 09:20:45 -0600
To: Bubel, Susan;Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim
Subject: FW: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Attachments: Neg Am Capping.xlsx

Please give me your response as soon as possible. Thanks

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @navient.com]
Sent: Wednesday, February 18, 2015 8:11 AM
To: Washington, Patrice; Jackson, Lateata
Cc: (b)(4); (b)(6)
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Morning Patrice / LaTeata,

Cheryl has forwarded the updated CR 2785 and QA log to me for review and assessment; however, I'm not able to find a response to our first bullet point from the below email (references the attachment). I was able to find all of our other questions and they have been addressed. Perhaps I missed it, but could you point me to where this example is addressed in the updated documentation?

Understanding these impacts is important to us providing an accurate assessment.

Thank you

(b)(4); (b)(6)

Navient

From: (b)(4); (b)(6)
Sent: Friday, February 06, 2015 2:53 PM
To: 'Jackson, Lateata'
Cc: Washington, Patrice
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Lateata,

Navient has reviewed the job aides and the requirements and we have a request for a few clarification items:

(b)(5)

(b)(5)

Please let us know if you have any questions on the attached or any of our clarification requests.
Thank you
Kathleen

(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, February 04, 2015 11:01 AM
To: (b)(4); (b)(6) Battle, Cynthia; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Smith, Lynn; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) Oldre, Lisa; Foss, Ian; Meadows, Kim; Ratchford, Sabrina; (b)(4); (b)(6) Washington, Patrice; (b)(4); (b)(6) Connelly, Tammy
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

All,
Attached is a compilation of the questions received by FSA to discuss at our meeting this afternoon.

La Teata Jackson
Change Management Division
Federal Student Aid
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Federal Student Aid

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Scenario 1

Proposed Changes - Neg Am Cap Effective back to 7/1 retroactively

Loan goes in to Neg AM ICR as of 1/1/15									
Effective Date	Status	PBO	Days	Rate	Action	Amount	Outstanding Interest		Comments
							Neg Am	Regular	
1/1/2015	RPMT	$ 20,000.00	0	7.25			$ -	$ -	
5/1/2015	RPMT	$ 20,000.00	120	7.25	Accrual	$ 476.39	$ 476.39	$ -	
Loan goes in to Deferment on 5/1/15 for 6 months									
7/1/2015	Deferment	$ 20,000.00	61	7.25	Accrual	$ 242.16	$ 476.39	$ 242.16	Neg AM Interest as of 06/30 is $59.55
8/1/2015	Deferment	$ 20,000.00	31	7.25	Accrual	$ 123.07	$ 476.39	$ 365.23	
8/1/2015	Deferment	$ 20,000.00	0	7.25	Payment	$ (300.00)	$ 176.39	$ 365.23	Payment pays down $141.96 in Interest and 158.04 in principal
11/1/2015	Deferment	$ 20,000.00	92	7.25	Accrual	$ 365.23	$ 176.39	$ 730.46	
Loan ages into repayment on 11/01/15 and Caps Regular interest of $730.46									
11/1/2015	RPMT	$ 20,730.46	0	7.25		$ -	$ 176.39	$ -	

Recalculated balances after retroactive 7/01 Neg Am CAP									
7/1/2015	Deferment	$ 20,000.00	0	7.25	Accrual	$ -	$ 476.39	$ 242.16	
7/1/2015* Retro posting	Deferment	$ 20,176.39	0	7.25	Retro Cap	$ (176.39)	$ 300.00	$ 242.16	Cap posted retroactively
8/1/2015	Deferment	$ 20,176.39	31	7.25	Accrual	$ 124.15	$ 300.00	$ 366.31	Accrual on new principal
8/1/2015	Deferment	$ 20,176.39	0	7.25	Payment	$ (300.00)	$ -	$ 366.31	
11/1/2015	Deferment	$ 20,176.39	92	7.25	Accrual	$ 368.45	$ -	$ 734.76	
Loan ages into repayment and Caps Regular interest of $734.76									
11/1/2015	RPMT	$ 20,911.15	0	7.25		$ -	$ -	$ -	

Current Way of Processing - Cap Efffective Deferment End Date

Loan goes in to Neg AM ICR as of 1/1/15								
Effective Date	Status	PBO	Days	Rate	Action	Amount	Outstanding Interest	
							Neg Am	Regular
1/1/2015	RPMT	$ 20,000.00	0	7.25			$ -	$ -
5/1/2015	RPMT	$ 20,000.00	120	7.25	Accrual	$ 476.39	$ 476.39	$ -
Loan goes in to Deferment on 5/1/15 for 6 months								
7/1/2015	Deferment	$ 20,000.00	61	7.25	Accrual	$ 242.16	$ 476.39	$ 242.16
8/1/2015	Deferment	$ 20,000.00	31	7.25	Accrual	$ 123.07	$ 476.39	$ 365.23
8/1/2015	Deferment	$ 20,000.00	0	7.25	Payment	$ (300.00)	$ 176.39	$ 365.23
11/1/2015	Deferment	$ 20,000.00	92	7.25	Accrual	$ 365.23	$ 176.39	$ 730.46
Loan ages into repayment on 11/01/15 and Caps Regular interest of $730.46 and Neg Am Int of $176.39								
11/1/2015	RPMT	$ 20,906.84	0	7.25		$ -	$ 176.39	$ -

New proposed method results in more PBO at the end of Deferment

Scenario 2

Loan goes in to Neg AM ICR as of 5/1/15									
Effective Date		PBO	Days	Rate	Action	Amount	Outstanding Interest		
							Neg Am	Regular	
5/1/2015	RPMT	$ 20,000.00	0	7.25			$ -	$ -	
7/1/2015	RPMT	$ 20,000.00	61	7.25	Accrual	$ 242.16	$ 242.16	$ -	Neg AM Interest as of 06/30 is $242.16
7/25/2015	RPMT	$ 20,000.00	24	7.25	Accrual	$ 95.28	$ 337.44	$ -	
Loan goes in to Deferment on 07/25 for 6 months									
9/25/2015	Deferment	$ 20,000.00	62	7.25	Accrual	$ 246.13	$ 337.44	$ 246.13	
9/25/2015	Deferment	$ 20,000.00	0	7.25	Payment	$ (100.00)	$ 237.44	$ 246.13	
1/25/2016	Deferment	$ 20,000.00	122	7.25	Accrual	$ 484.33	$ 237.44	$ 730.46	
Loan ages into Repayment on 01/25									

What amount of Neg Am interest should cap on 1/25/16? Should it be $237.44 or $142.16?
If a payment retroactively posts effective 01/20 (during deferment) on 01/30, should the 06/30 CAP be re-evaluated?
If the deferment is shortened to end on 09/01/15 before the payment is applied, should the Neg Am cap be re-evaluated accordingly?
If back to back statuses cover 2 consecuting 06/30 dates, what should be the effective date of the cap after the loan ages into repayment?

From: Bubel, Susan
Sent: 3 Mar 2015 10:46:49 -0600
To: Battle, Cynthia;Jackson, Lateata;Foss, Ian;Meadows, Kim
Subject: FW: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

This was the response we wanted to re-visit based on their Anniversary approach the Servicers are taking.
Thanks,
Sue

From: Bubel, Susan
Sent: Monday, February 23, 2015 6:35 PM
To: Jackson, Lateata; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

> Before the Servicer capitalizes interest, the Servicer is required to notify the borrower that unpaid interest will be capitalized and allow the borrower the opportunity to pay that interest balance before the capitalization event.
> Thus, requirement [5023.01] intended to allow for appropriate notification (for all billing cycles) by the servicer including a sufficient period which affords the borrower time to pay any outstanding accrued neg am interest. Any servicer systems with hardcoded dates that prevent a borrower (i.e. late billing cycle) an opportunity to pay outstanding neg am interest before the capitalization event must be addressed.

From: Jackson, Lateata
Sent: Monday, February 23, 2015 2:58 PM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: FW: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Importance: High

More questions on the questions…

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@navient.com]
Sent: Monday, February 23, 2015 2:34 PM
To: Jackson, Lateata; (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email '; (b)(4); (b)(6) (b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) (b)(4); (b)(6) (b)(4); (b)(6) (b)(4); (b)(6) '; Washington, Patrice; Meadows, Kim; (b)(4); (b)(6) (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Importance: High

Afternoon La Teata,
During our review of the updated requirement and job aid document (b)(5)
(b)(5)

(b)(5)

Please let me know if you have any questions. I have attached the example in a detailed Excel spreadsheet as well – Loan Proration tab.

Thank you

(b)(4); (b)(6)

Navient

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Monday, February 23, 2015 12:12 PM
To: (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email '; (b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn;
(b)(4); (b)(6) Washington, Patrice; Meadows, Kim; (b)(4); (b)(6)
(b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6)
(b)(4); Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)

Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

From our clarification meeting held on 2/4/2015 FSA revised CR 2785, the Job Aid and the Q&As. We moved the Implementation date out to May 11, 2015 and asked for assessments by 2/25/2015.

Attached, is a full workbook of the CR 1495 and CR 2785 requirements, samples, Q&As etc. Additionally, we received some follow-up questions and have answered them under the CR 2785 Q&A tab. Further, a correction to the Job Aid was needed so you will find an updated version of that as well.

We are looking forward to receiving your assessments by 2/25/2015

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

This E-Mail has been scanned for viruses.

From: Bubel, Susan
Sent: 7 Apr 2016 18:24:55 +0000
To: Foss, Ian
Subject: FW: CR 2785 - Requirement Clarification for CR 1492 Touch Point
Attachments: Re: Fw: Modification P00001 to Contract Number ED-FSA-09-D-0014 Task Order 0016

FYI

From: Allen, Heather
Sent: Thursday, April 07, 2016 2:16 PM
To: Jackson, Lateata
Cc: Battle, Cynthia; Chialastri, Taneka; Bubel, Susan; Gibson, Karen; Galvez, Michelle
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point

Hi Lateata,

PHEAA's revised implementation date of May 2017 has not been approved. See attached email.
I am reaching out to PHEAA for more information regarding the need for an extra year from their original approved implementation date.
Implementation Extension Requests for CR 2785:
PHEAA – May 2017
Cornerstone – May 2017 (Aligned with PHEAA)

Thank You,

Heather Allen
Contract Specialist
Office: (202) 377-4465
Cell: (202) 557-4596
heather.allen@ed.gov
StudentAid.gov

From: Jackson, Lateata
Sent: Thursday, April 07, 2016 10:11 AM
To: Gibson, Karen; Allen, Heather
Cc: Battle, Cynthia; Chialastri, Taneka; Bubel, Susan
Subject: FW: CR 2785 - Requirement Clarification for CR 1492 Touch Point

FSA Contracts.
We approved an assessment for 6/30/2016. Did this date really get changed in the proposal to 2017? What is our recourse to get the changes in by our real date of 6/30/2016 with the other contractors? Can you please check the dates in the other proposals for this effort as well?

From: (b)(4); (b)(6) [mailto:(b)(4); @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Wednesday, April 06, 2016 5:16 PM
To: Jackson, Lateata
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: Re: CR 2785 - Requirement Clarification for CR 1492 Touch Point

Hi La Teata!

Of course, I don't want to call attention to our delayed implementation if it's unwarranted, but - I want to make sure we're all on the same page and our communication of the date wasn't lost in the shuffle... As I communicated in February, when we received our ATO, PHEAA is committed to implementing this change in May 2017.

Please let me know if you have any questions or concerns!

(b)(4); (b)(6)
Federal Contract Manager

Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); (b)(6)@pheaa.org | (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: (b)(4); (b)(6)@glhec.org", (b)(4); (b)(6)@glhec.org>, (b)(4); (b)(6)@glhec" <(b)(4); (b)(6)@glhec.org>, (b)(4); (b)(6)@glhec.org>, (b)(4); (b)(6)
(b)(4); (b)(6)@nelnet.net>, (b)(4); (b)(6)@nelnet.net>, (b)(4); (b)(6)@pheaa.org>, (b)(4); (b)(6)
(b)(4); (b)(6)@pheaa.org>, "PHEAACRs (PHEAACRs@pheaa.org)" <PHEAACRs@pheaa.org>, (b)(4); (b)(6)
(b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)@navient.com" <(b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)@navient.com>
(b)(4); (b)(6)@Navient.com" (b)(4); (b)(6)@Navient.com>, (b)(4); (b)(6)@mohela.com>, EdFinancial CM Email
<EdfinancialFSAChangeReq@edfinancial.com>, (b)(4); (b)(6)@edfinancial.com>, (b)(4); (b)(6)@edfinancial.com>,
(b)(4); (b)(6)@gsmr.org>, (b)(4); (b)(6)@gsmr.org>, (b)(4); (b)(6)@utahsbr.edu>, CornerStone CM Box
<CSChangeControl@mycornerstoneloan.org>, (b)(4); (b)(6)@mycornerstoneloan.org>, (b)(4); (b)(6)@osla.org>,
(b)(4); (b)(6)@osla.org>, (b)(4); (b)(6)@osla.org>, (b)(4); (b)(6)@osla.org>, (b)(4); (b)(6)
(b)(4); (b)(6)@osla.org>, "OSLA CM Email " <OSLA-CR@osla.org>, (b)(4); (b)(6)@osla.org>, (b)(4); (b)(6)@vsac.org>,
(b)(4); (b)(6)@vsac.org>, "Aloisio, Julie" <Julie.Aloisio@ed.gov>, "Barnes, Anthony" <Anthony.Barnes@ed.gov>, "Battle,
Cynthia" <Cynthia.Battle@ed.gov>, "Bennett, Rich" <Rich.Bennett@ed.gov>, "Brown, Lenny" <Lenny.Brown@ed.gov>, "Bubel, Susan"
<Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Connelly, Tammy" <Tammy.Connelly@ed.gov>, "Foss, Ian"
<Ian.Foss@ed.gov>, "Gibson, Karen" <Karen.Gibson@ed.gov>, "Hardy, Eric" <Eric.Hardy@ed.gov>, "Hebrank, David"
<David.Hebrank@ed.gov>, "Meoli, Nicki" <Nicki.Meoli@ed.gov>, "Myers-Wright, Helena" <Helena.Myers-Wright@ed.gov>, "Oldre, Lisa"
<Lisa.Oldre@ed.gov>, "Ratchford, Sabrina" <Sabrina.Ratchford@ed.gov>, "Roberts, Sherika" <Sherika.Roberts@ed.gov>, "Roca-Baker,
Angela" <Angela.Roca-Baker@ed.gov>, "Sipple-Asher, Bessie" <BessieKo.SippleAsher@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>,
"Solares, Noemi" <Noemi.Solares@ed.gov>, "Trejo, Rosa" <Rosa.Trejo@ed.gov>, "Utz, Sarah" <Sarah.Utz@ed.gov>, "Walker, Lisa"
<Lisa.Walker@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>, "Wicks, Kathleen" <Kathleen.Wicks@ed.gov>, (b)(6)
(b)(4); (b)(6)@osla.org>
Cc: (b)(4); (b)(6)@mycornerstoneloan.org>, (b)(4); (b)(6)@gsmr.org>, (b)(4); (b)(6)
(b)(4); (b)(6)@nelnet.net>, (b)(4); (b)(6)@osla.org>, (b)(4); (b)(6)@5280Solutions.com>,
(b)(4); (b)(6)@aessuccess.org>, (b)(4); (b)(6)@nelnet.net>, (b)(4); (b)(6)
(b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)@navient.com>,
(b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)
(b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)@edfinancial.com>,
"Leavitt, Katharine" <Katharine.Leavitt@ed.gov>, (b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)
(b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)@edfinancial.com>, (b)(4); (b)(6)@navient.com>,
(b)(4); (b)(6)@aessuccess.org>, (b)(4); (b)(6)@navient.com>, (b)(4); (b)(6)
(b)(4); (b)(6)@nelnet.net>, (b)(4); (b)(6)@utahsbr.edu>, "Pattison, Jennifer" <Jennifer.Pattison@ed.gov>
Date: 04/06/2016 03:36 PM
Subject: [external]CR 2785 - Requirement Clarification for CR 1492 Touch Point

---

FSA is moving this meeting only

As we move closer to the implementation deadline for CR 2785 FSA wanted to provide a forum to ensure we are all on the same pages regarding our capitalization rules. The format of this meeting will be similar to the REPAY Touch Point meetings for those of you who are familiar with those. They will be held every 2 weeks as long as we have discussion items to cover. If we do not have discussion items by 11am the day of the meeting, then we will cancel that day's meeting.

FSA intends to have a capitalization questions email box set up so that you can send your questions and other CR 2785 related materials to FSA via that email box up to implementation. We will notify everyone when that email box is ready for use.

At the point of implementation/production, the working product will be turned over to the FSA Operations Team for monitoring.

Further, FSA will provide an updated workbook with all things CR 2785 related

for you to review and share as needed.

Please feel free to invite others as needed to this meeting.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 12 Feb 2016 12:57:09 -0500
To: Jones, Amber K.;Allen, Heather;Gibson, Karen;Smith, Lynn;Galvez, Michelle;Washington, Patrice
Cc: PHEAACRs;Jackson, Lateata;(b)(4); (b)(6)
Subject: Re: Fw: Modification P00001 to Contract Number ED-FSA-09-D-0014 Task Order 0016

Good Afternoon,

I apologize for the delayed response. At this time, PHEAA commits to implementing FSA CR 2785 NLT May 2017 (b)(5)

(b)(5)

Please let me know if you have any questions or concerns. Thank you!

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | (b)(6)

From: (b)(4); (b)(6) /PHEAA
To: "Allen, Heather" <Heather.Allen@ed.gov>, "Galvez, Michelle" <Michelle.Galvez@ed.gov>, "Gibson, Karen" <Karen.Gibson@ed.gov>, "Jones, Amber K." <Amber.Jones@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>
Cc: PHEAACRs/AES@pheaa
Date: 01/05/2016 10:05 AM
Subject: Fw: [external]Modification P00001 to Contract Number ED-FSA-09-D-0014 Task Order 0016

Good Morning!

As a result of the delayed ATO and the noted risk provided in our September assessment, PHEAA will not longer be able to implement by June 24, 2016. PHEAA is re-evaluating the plannedimplementation date for this change based on the ATO provided below. We will provide an revised planned implementation date shortly and reach out accordingly.

Please let me know if you have any questions or concerns!

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

----- Forwarded by (b)(4); (b)(6) PHEAA on 01/05/2016 09:57 AM -----

(b)(4); (b)(6)

From: "Allen, Heather" <Heather.Allen@ed.gov>
To: @aessuccess.org" @aessuccess.org>, Dan Weigle @pheaa.org>, (b)(4); (b)(6)

(b)(4); (b)(6)

[redacted]@pheaa.org>
Cc: "Washington, Patrice" <Patrice.Washington@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Galvez, Michelle" <Michelle.Galvez@ed.gov>, "Gibson, Karen" <Karen.Gibson@ed.gov>, "Jones, Amber K." <Amber.Jones@ed.gov>, "Kang, Soo" <Soo.Kang@ed.gov>
Date: 12/30/2015 04:07 PM
Subject: [external]Modification P00001 to Contract Number ED-FSA-09-D-0014 Task Order 0016

Good Afternoon,

Attached, please find Modification P00001 to Contract Number ED-FSA-09-D-0014 Task Order 0016. The purpose of this modification is to provide funding for Change Request (CR) 2785.

This is an executed copy, therefore you do not need to sign and return a copy.

Thank You,

Heather Allen
Contract Specialist
Office: (202) 377-4465
Cell: (202) 557-4596
heather.allen@ed.gov
StudentAid.gov

(b)(4); (b)(6)

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[attachment "ED-FSA-09-D-0014 TO 0016 MOD P00001 EXECUTED.pdf" deleted by (b)(4); (b)(6) [redacted]PHEAA]

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: Bubel, Susan
Sent: 11 May 2016 17:16:38 +0000
To: Chialastri, Taneka;Battle, Cynthia;Foss, Ian
Subject: FW: CR 2785 Artifact Validation

Take a look at question #7 (b)(5)

From: Bubel, Susan
Sent: Wednesday, May 11, 2016 1:15 PM
To: (b)(4); (b)(6) Jackson, Lateata; Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Artifact Validation

Please see responses below:

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, April 28, 2016 10:01 PM
To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Artifact Validation

I apologize; I forgot one additional question:

(b)(5)

From: (b)(4); (b)(6)
Sent: Thursday, April 28, 2016 9:52 PM
To: Bubel, Susan (Susan.Bubel@ed.gov) <Susan.Bubel@ed.gov>; 'Jackson, Lateata' <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>
Subject: CR 2785 Artifact Validation

Good Evening,

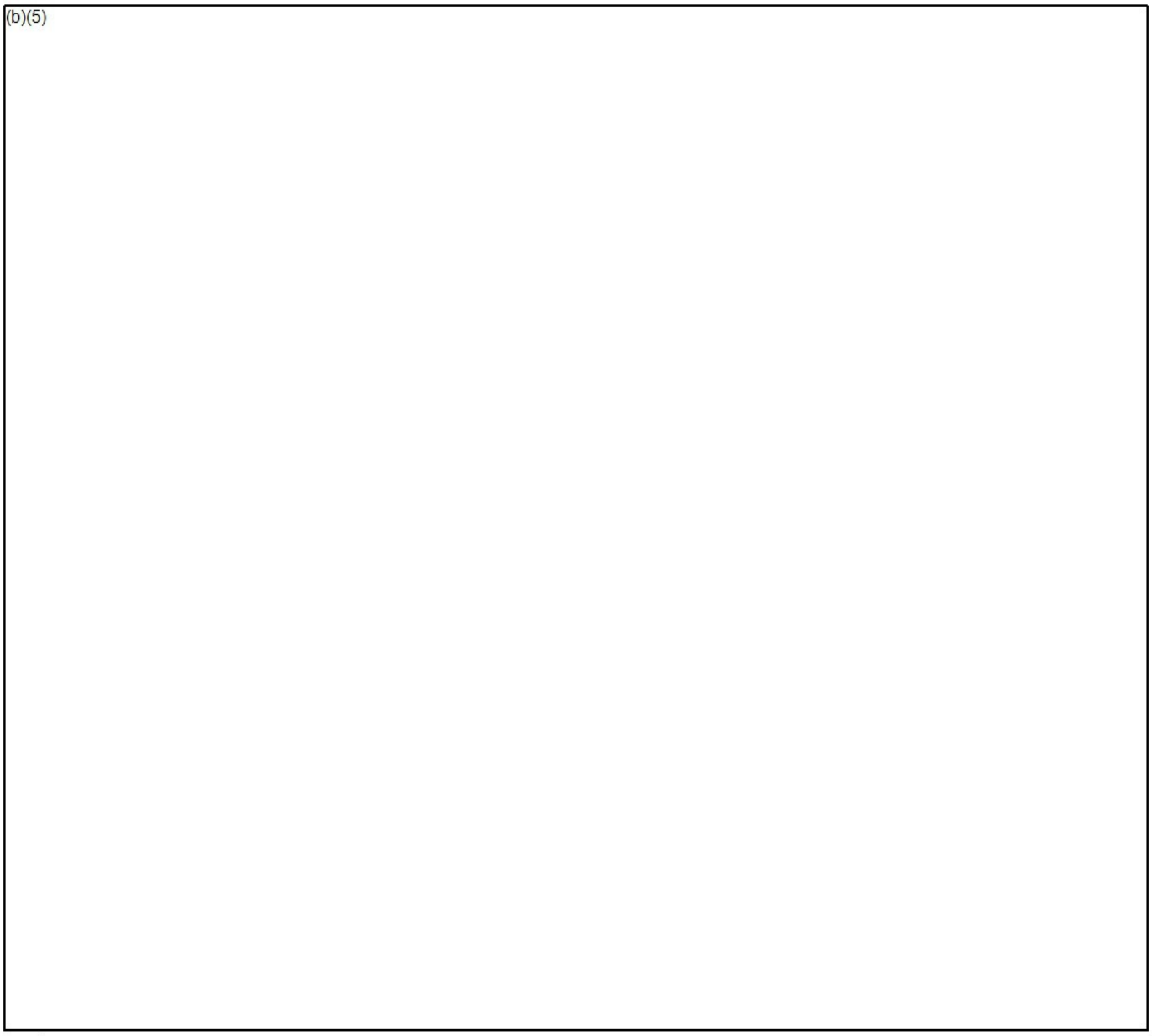
We were reviewing the Capping Validation Scenarios Master Spreadsheet and have a few follow-up questions.

General:

(b)(5)

Scenario Specific:

(b)(5)



Thank you

(b)(4); (b)(6) PMP

Navient

From: (b)(4); (b)(6)
Sent: 7 Feb 2017 19:25:07 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6)@Navient.com;(b)(4); (b)(6)
Subject: FW: CR 2785 NAV 1 of 4 - Artifacts - Phase 2
Attachments: CR 2785 NAV 1 of 4 Artifacts Ph 2 - Scenario 02.zip

---

From: (b)(4); (b)(6)
Sent: Monday, February 06, 2017 5:09 PM
To: Jackson, Lateata (Lateata.Jackson@ed.gov) <Lateata.Jackson@ed.gov>; CM_Validation <CM_Validation@ed.gov>
Cc: Samuels, Shaun (Shaun.Samuels@ed.gov) <Shaun.Samuels@ed.gov>; Buendia, Mario (Mario.Buendia@ed.gov) <Mario.Buendia@ed.gov>;(b)(4); (b)(6)
(b)(4); (b)(6)@navient.com>;(b)(4); (b)(6)@navient.com>
Subject: CR 2785 NAV 1 of 4 - Artifacts - Phase 2

Attached is the first of four emails with the Navient artifacts for CR 2785 phase 2. The Navient-assigned password will open the documents.

Let me know if you have any questions.

NAVIENT

(b)(4); (b)(6)
Director, Change Management, Title IV Servicing
2001 Edmund Halley Drive, Reston, VA 20191
(b)(4); (b)(6)@Navient.com
Navient.com

From: (b)(4); (b)(6)
Sent: 7 Feb 2017 19:27:08 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) @Navient.com;(b)(4); (b)(6)
Subject: FW: CR 2785 NAV 2 of 4 - Artifacts - Phase 2
Attachments: CR 2785 NAV 2 of 4 Artifacts Ph 2 - Scenario 03.zip

---

From: (b)(4); (b)(6)
Sent: Monday, February 06, 2017 5:16 PM
To: Jackson, Lateata (Lateata.Jackson@ed.gov) <Lateata.Jackson@ed.gov>; 'CM_Validation' <CM_Validation@ed.gov>
Cc: Samuels, Shaun (Shaun.Samuels@ed.gov) <Shaun.Samuels@ed.gov>; Buendia, Mario (Mario.Buendia@ed.gov) <Mario.Buendia@ed.gov>;(b)(4); (b)(6)
(b)(4); (b)(6) @navient.com>;(b)(4); (b)(6) @navient.com>
Subject: CR 2785 NAV 2 of 4 - Artifacts - Phase 2

Attached is the second of four emails with the Navient artifacts for CR 2785 phase 2. The Navient-assigned password will open the documents.

Let me know if you have any questions.

NAVIENT

(b)(4); (b)(6)
Director, Change Management, Title IV Servicing
2001 Edmund Halley Drive, Reston, VA 20191
(b)(4); (b)(6) @Navient.com
Navient.com

From: (b)(4); (b)(6)
Sent: 7 Feb 2017 19:28:05 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) Navient.com;(b)(4); (b)(6)
Subject: FW: CR 2785 NAV 3 of 4 - Artifacts - Phase 2
Attachments: CR 2785 NAV 3 of 4 Artifacts Ph 2 - Scenario 09.zip

---

From: (b)(4); (b)(6)
Sent: Monday, February 06, 2017 5:17 PM
To: 'Jackson, Lateata (Lateata.Jackson@ed.gov)' <Lateata.Jackson@ed.gov>; 'CM_Validation' <CM_Validation@ed.gov>
Cc: 'Samuels, Shaun (Shaun.Samuels@ed.gov)' <Shaun.Samuels@ed.gov>; 'Buendia, Mario (Mario.Buendia@ed.gov)' <Mario.Buendia@ed.gov>;(b)(4); (b)(6)
(b)(4); (b)(6) @navient.com>;(b)(4); (b)(6) @navient.com>
Subject: CR 2785 NAV 3 of 4 - Artifacts - Phase 2

Attached is the third of four emails with the Navient artifacts for CR 2785 phase 2. The Navient-assigned password will open the documents.

Let me know if you have any questions.

NAVIENT

(b)(4); (b)(6)
Director, Change Management, Title IV Servicing
2001 Edmund Halley Drive, Reston, VA 20191
(b)(4); (b)(6) @Navient.com
Navient.com

From: (b)(4); (b)(6)
Sent: 7 Feb 2017 19:29:35 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) @Navient.com;(b)(4); (b)(6)
Subject: FW: CR 2785 NAV 4 of 4 - Artifacts - Phase 2
Attachments: CR 2785 NAV 4 of 4 Artifacts Ph 2 - Scenario 11.zip

---

From: (b)(4); (b)(6)
Sent: Monday, February 06, 2017 5:19 PM
To: Jackson, Lateata (Lateata.Jackson@ed.gov) <Lateata.Jackson@ed.gov>; 'CM_Validation' <CM_Validation@ed.gov>
Cc: Samuels, Shaun (Shaun.Samuels@ed.gov) <Shaun.Samuels@ed.gov>; Buendia, Mario (Mario.Buendia@ed.gov) <Mario.Buendia@ed.gov>;(b)(4); (b)(6)
(b)(4); (b)(6) @navient.com>;(b)(4); (b)(6) @navient.com>
Subject: CR 2785 NAV 4 of 4 - Artifacts - Phase 2

Attached is the fourth of four emails with the Navient artifacts for CR 2785 phase 2. The Navient-assigned password will open the documents.

Let me know if you have any questions.

NAVIENT

(b)(4); (b)(6)
Director, Change Management, Title IV Servicing
2001 Edmund Halley Drive, Reston, VA 20191
(b)(4); (b)(6) @Navient.com
Navient.com

From: Bubel, Susan
Sent: 2 May 2016 14:41:44 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian
Subject: FW: CR 2785 Q&A Preview
Attachments: Capping _CR2785 QA preview_040616.xlsx, CR2785 Requirements_FSA comments 040616.docx

For this afternoon's call with Great Lakes at 3.
Thanks,
Sue

From: Bubel, Susan
Sent: Wednesday, April 06, 2016 11:28 AM
To: Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: CR 2785 Q&A Preview

Good morning all,
I have compiled the questions and drafted responses/ updates to the Q&A log for Capping (we have a meeting with the servicers tomorrow @1)
Great Lakes also sent some scenarios they wanted to review. I added my commetns. Please take a look and let me know any thoughts, comments, corrections. Also if you think it would be easier, I can schedule a quick call be fore tomorrow's meeting and we can meet to discuss.
Thanks for your help on this.
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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#	Servicer	Topic	Req.	Clarification Questions	FSA Response
68	PHEAA			(b)(5)	
73	Nelnet		5066.02 (IBR) PAYE cap req not in CR2785		
74	Nelnet		5069 5066.02		
	Nelnet				
	nelnet				
	Great Lakes				

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Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0672

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 7 Apr 2016 16:59:09 +0000
To: Chialastri, Taneka;Foss, Ian;Battle, Cynthia
Subject: FW: CR 3245 – REPAYE and CR 2785 – 1492 Clarification

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From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @nelnet.net]
Sent: Thursday, April 07, 2016 12:58 PM
To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6)
Subject: CR 3245 – REPAYE and CR 2785 – 1492 Clarification

Hello,

Nelnet has been reviewing and preparing for the validation scenarios presented for CR's 2785 and 3245.

(b)(5)

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) @Nelnet.net
nelnet.com

From: Bubel, Susan
Sent: 9 Feb 2017 19:06:45 +0000
To: Foss, Ian;Battle, Cynthia
Cc: Chialastri, Taneka
Subject: FW: CR2785 Correspondence (PHEAA)
Attachments: Scenario 7 - FS06BIDRPS.pdf, Scenario 7 - FS06BIBRXP.pdf, Scenario 13 - FS06BDFRFB.pdf, Scenario 12 - FS06BDFRFB 1.pdf, Scenario 1 - FS06BNEGAM.pdf

THANKS TANEAKA!!!!!!!!

Taneka helped by reviewing the letters and here are her comments, I will share these with PHEAA tomorrow also, unless you all have any additional comments questions.

Thanks,

Sue

From: Chialastri, Taneka
Sent: Thursday, February 9, 2017 2:01 PM
To: Bubel, Susan
Subject: RE: CR2785 Correspondence (PHEAA)

Hey Sue,

The comments for the interest statement can be used for all the letters. Most of the comments on the rest of the letters are minor.

Thanks,

Taneka

From: Bubel, Susan
Sent: Tuesday, February 7, 2017 3:17 PM
To: Chialastri, Taneka
Subject: CR2785 Correspondence (PHEAA)

Thanks, There are a lot of letters, but I think a lot are the same letter. What ever you can get done by Friday would be awesome.

Password to follow.

Thanks,
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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[redacted]

[redacted]

YOUR NEW PAYMENT AMOUNT

Account Number: [redacted]

As part of the Income-Based Repayment (IBR) plan, you are required to recertify annually, even if your income or family size has not changed. We needed this updated information to recalculate your monthly payment based on your income and family size.

Since we did not receive your complete annual documentation, your new payment amount is not based on your income and family size; however, your loans will remain on the Income-Based Repayment (IBR) plan. Your new monthly payment is $98.48.* This will remain your monthly payment unless you recertify your Income-Based Repayment (IBR) plan or change to a new repayment plan.

If you want to have your payment amount recalculated based on your income and family size, apply online at StudentLoans.gov.

*Since you are currently on a deferment or a forbearance, you are not responsible to make payments until the deferment or forbearance ends.

Good to Know

- Any unpaid interest capitalized (was added to the principal balance of your loans).
- We will still remind you annually when it is time to recertify your IDR plan.
- The eligibility requirements for all Income-Driven Repayment (IDR) plans are included.



Loan Information

Loan Program	Disbursement Date	Current Principal Balance	Interest Rate
DLSTFD	08/22/2009	$8,539.56	6.800%

ELIGIBILITY CRITERIA FOR INCOME-DRIVEN REPAYMENT PLANS

INCOME-BASED REPAYMENT (IBR) PLAN

In order for you to qualify, the payment that you would be required to make under the IBR plan (based on your income and family size) must be less than what you would pay under the Standard Repayment Plan with a 10-year repayment period.

All Direct and FFEL Program loans made to student borrowers are eligible except for those that are in default. Direct and FFEL parent PLUS Loans and Direct and FFEL Consolidation Loans that repaid a Direct or FFEL parent PLUS Loan are not eligible.

INCOME-CONTINGENT REPAYMENT (ICR) PLAN

You may qualify to repay your loans under the ICR Plan if you have eligible loans.

All Direct Loan Program loans made to student borrowers are eligible except for those that are in default. Direct parent PLUS Loans and Direct PLUS Consolidation Loans are not eligible. FFEL Program loans are not eligible.

PAY AS YOU EARN (PAYE) REPAYMENT PLAN

In order for you to qualify, the payment that you would be required to make under the PAYE plan (based on your income and family size) must be less than what you would pay under the Standard Repayment Plan with a 10-year repayment period. You must also be a new borrower.

You are a new borrower for the PAYE plan if:

(1) you have no outstanding balance on a Direct Loan or FFEL program loan as of October 1, 2007, or have no outstanding balance on a Direct Loan or FFEL program loan when you obtain a new loan on or after October 1, 2007, and

(2) you receive a disbursement of a Direct Subsidized Loan, Direct Unsubsidized Loan, or student Direct PLUS Loan on or after October 1, 2011, or you receive a Direct Consolidation Loan based on an application received on or after October 1, 2011. However, you are not considered a new borrower if the Direct Consolidation Loan you received repaid loans that would make you ineligible under part (1) of this definition.

All Direct Loan Program loans made to student borrowers are eligible except for those that are in default. Direct parent PLUS Loans and Direct Consolidation Loans that repaid a Direct or FFEL parent PLUS Loan are not eligible. FFEL Program loans are not eligible.

REVISED PAY AS YOU EARN (REPAYE) REPAYMENT PLAN

You may qualify to repay your loans under the REPAYE Plan if you have eligible loans.

All Direct Loan Program loans made to student borrowers are eligible except for those that are in default. Direct parent PLUS Loans and Direct Consolidation Loans that repaid a Direct or FFEL parent PLUS Loan are not eligible. FFEL Program loans are not eligible.

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[redacted]

[redacted]

RECERTIFY FOR THE INCOME-BASED REPAYMENT PLAN.

Account Number: [redacted]

You currently repay your loans under the **Income-Based Repayment** (IBR) plan. Under this plan your monthly payment amount is based on your income and family size. As part of the IBR plan, you are required to recertify annually. Since you are approaching the end of your 12 month payment period, you need to provide your and your spouse's (if applicable) income documentation and verify your family size, so we can recalculate your monthly payment. You must do this even if your income and family size has not changed.

Recertify electronically at StudentLoans.gov.

We must receive your application by 10/27/2017. If we do not receive your application within 10 days of this date, payment will increase to $98.48, first due on 12/15/2017.

If you no longer have a partial financial hardship or do not provide documentation by the deadline above, unpaid interest will be capitalized (added to the principal balance of your loan).

Why should you recertify?

- You still wish to have your payment amount based on your income and family size
- You are pursuing Public Service Loan Forgiveness (PSLF)

We will remind you annually of your need to recertify your income and family size so that we can re-evaluate your payment amount. Visit MyFedLoan.org/IBR for more information.

[redacted]

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[redacted]

[redacted]

WE PROCESSED A FORBEARANCE ON YOUR LOANS

Account Number: [redacted]

We approved your request to make lower payments in the amount of $25 during your forbearance period. We will continue to send you a monthly notification reminding you to make your payment. See below for details on your impacted loans.

Loan Sequence	Disbursement Date	Loan Program	Current Principal Balance
0001	11/18/2002	DLUNST	$155.62
Action	**Type**	**Begin Date**	**End Date**
Approved	General Forbearance	02/15/2017	07/15/2017

Ways To Pay

Pay Online: MyFedLoan.org
Pay By Phone: 800-699-2908
Pay By Mail: Department of Education
FedLoan Servicing
P.O. Box 530210
Atlanta, GA 30353-0210

Include your account number, [redacted] on a check or money order made payable to FedLoan Servicing.

Good to Know

- We will send you notification of any interest that accrues (if applicable) while your payments are postponed. If you do not pay the interest, it may be capitalized (added to your principal balance) at the end of your deferment or forbearance.
- You have the option to cancel a deferment or forbearance on your loans at any time. If you cancel, any outstanding interest may be capitalized and payments will resume.
- Visit MyFedLoan.org/PaymentPlans to learn about repayment plans that may be available if you are having difficulty making payments. Some plans take your income and family size into consideration when determining your monthly payment amount. Many borrowers on these plans have a $0.00 monthly payment!
- If you are enrolled in *Direct Debit*, your payments will automatically be withdrawn from your bank account on your next due date after your deferment or forbearance ends. To temporarily suspend your *Direct Debit*

service, contact us at least 3 business days before your scheduled payment date. If you receive an interest rate reduction while enrolled in *Direct Debit*, the interest rate reduction will be lost during periods when *Direct Debit* is suspended.

- Visit MyFedLoan.org to review the status of your loans.

What is capitalization? Capitalization is the addition of unpaid accrued interest to the principal balance of your loans. Capitalization increases your principal balance, so you will pay more in interest over the life of the loan if interest capitalizes. This means your monthly payment amount may increase when your forbearance ends or your repayment period may be longer and the number of remaining payments on your loan increased.

The following example shows hypothetical monthly payments and the total repayment amount when you pay the interest during a forbearance compared to when you do not pay the interest and it is capitalized when the forbearance ends. This example uses an interest rate of 8.25%. The actual amount of interest that capitalizes depends on factors such as your loan amount, interest rate and length of the forbearance.

During Forbearance	Loan Amount	Capitalized Interest for 12 Months	Principal to be Repaid	Monthly Payment	Number of Payments	Total Amount Repaid
When you pay the interest	$15,000	$0	$15,000	$184	120	$23,315*
When you don't pay the interest	$15,000	$1,238	$16,238	$199	120	$23,900

* Total amount repaid includes $1,238 of interest you paid during the forbearance.
Result: If you pay the interest during the forbearance, you will save $15 per month and $585 over the life of the loan.

OPTIONS FOR FFELP AND DIRECT LOANS

REPAYMENT PLAN OPTIONS-Learn more about the different repayment plans and how to apply at MyFedLoan.org/PaymentPlans.

Standard (FFELP and Direct): The Standard plan allows you to make a monthly payment that generally remains the same (fixed) throughout the repayment term which cannot exceed 10 years. Consolidation Loans may have up to 30 years. However, circumstances or events during repayment may result in changes to the monthly installment amount. Generally, this option is the fastest and most economical method of repayment.

Graduated (FFELP or Direct): The Graduated plan allows you to pay a small monthly amount (typically, interest only) during the beginning of the repayment period. Your payment amount will increase, generally every two years, over the repayment term which cannot exceed 10 years. Consolidation Loans may have up to 30 years. The amount of interest paid over the life of the loan will be higher with this option than with the Standard Repayment Plan.

25-Year Extended (FFELP or Direct): You may choose a fixed or graduated Extended repayment plan (which is limited to no longer than 25 years). Your monthly payment will be lower; however, the total paid over the life of the loan will be higher based on interest over time. This repayment plan is only available to you if your loans were first disbursed after October 7, 1998. To utilize this plan on your FFELP Loans, you must have over $30,000 in FFELP Loans exclusively. To utilize this plan on your Direct Loans, you must have over $30,000 in Direct Loans exclusively.

Pay As You Earn (Direct only)*: Under Pay As You Earn (PAYE), your monthly payment amount is based on your (and your spouse's if applicable) Adjusted Gross Income (AGI), family size and state of residence. You must qualify for this plan by being an eligible borrower and providing documentation to prove you have a partial financial hardship. Your payment amount may be adjusted annually, as annual verification of your AGI, and family size is required. The maximum repayment period is 20 years. If your loans are not fully repaid after 20 years and you met the repayment requirements, any unpaid amount will be forgiven. Visit MyFedLoan.org for more details. **Excludes PLUS Loans made to parent borrowers and Consolidation Loans with underlying PLUS Loans made to parent borrowers.*

Revised Pay As You Earn (Direct only)*: Under Revised Pay As You Earn (REPAYE), your monthly payment amount is based on your (and your spouse's if applicable) AGI, family size and state of residence. Your payment amount may be adjusted annually, as annual verification of your AGI and family size is required. If you only received loans as an undergraduate, any remaining balance will be forgiven after 20 years of qualifying repayment. If you received any eligible loans as a graduate or professional student, any remaining balance will be forgiven after 25 years of qualifying repayment. If your loans are not fully repaid after the maximum repayment period and you met the repayment requirements, any unpaid amount will be forgiven. Visit MyFedLoan.org for more details. **Excludes PLUS Loans made to parent borrowers and Consolidation Loans with underlying PLUS Loans made to parent borrowers.*

Income-Based (FFELP and Direct)*: Under Income-Based Repayment (IBR), your monthly payment amount is based on your (and your spouse's if applicable) AGI, family size and state of residence. You must qualify for this plan by providing documentation to prove you have a partial financial hardship. Your payment amount may be adjusted annually, as annual verification of your AGI and family size is required. The maximum repayment period is 25 years, or for new borrowers 20 years. If your loans are not fully repaid after 25 years, or for new borrowers 20 years, and you met the repayment requirements, any unpaid amount will be forgiven. **Excludes PLUS Loans made to parent borrowers and Consolidation Loans with underlying PLUS Loans made to parent borrowers.*

New Borrower: You are considered a new borrower if you have no outstanding balance on a Direct Loan or FFEL Program Loan as of 7/1/14 or have no outstanding balance on a Direct Loan or FFEL Program Loan when you obtain a Direct Loan on or after 7/1/14.

Income-Contingent (Direct Only)*: When you begin paying under this repayment plan, your initial payment amount will be the full amount of interest that accrues each month until we calculate your actual payment amount. Under Income-Contingent Repayment (ICR), your monthly payment amount is based on the lesser of 20% of discretionary income or what you would pay under a repayment plan with fixed payments over 12 years, adjusted based on your income. You must provide documentation initially and annually to obtain and maintain this plan. The maximum repayment period is 25 years. If your loans are not fully repaid after 25 years and you met the repayment requirements, any unpaid amount will be forgiven. * *Excludes PLUS Loans made to parent borrowers and PLUS Consolidation Loans.*

Income Sensitive (FFELP Only): This repayment plan provides a reduced monthly payment amount based on a percentage of your monthly gross income and the monthly interest that accrues on your loans. You must request this plan annually and supply all required documentation.

POSTPONING REPAYMENT OPTIONS- It is best to try to change your repayment plan to reduce your monthly payment, but if you need a short term solution because you are unable to make any payments, take the eligibility quiz at MyFedLoan.org.

Deferment: You are allowed to temporarily stop making payments if approved for a deferment. You must request the deferment and provide any required documentation. You are responsible for the interest that accrues on unsubsidized Stafford Loans, PLUS loans, SLS loans, and the unsubsidized portion of Consolidation Loans during periods of deferment. Any interest that you do not pay during the deferment will be capitalized (added to the principal balance of your loans). Capitalization of interest increases the total cost of your loans.

Forbearance: If you do not qualify for a deferment, you are allowed to temporarily stop making payments if approved for forbearance. During a period of forbearance, you are responsible for the interest that accrues on all of your loans. You must request the forbearance and provide any required documentation. Any interest that you do not pay during the forbearance will be capitalized (added to the principal balance of your loans). Capitalization of interest increases the total cost of your loans.

DISCHARGE: A loan discharge is a release of your obligation to repay your loans, either in whole or in part. To review circumstances under which you may qualify for a loan discharge and to download an application, visit MyFedLoan.org/Discharge.

CONSOLIDATION: Consolidation allows you to combine all of your eligible student loans into one loan, for easier loan management. The term of repayment is from 10 to 30 years, depending on the amount of your Direct Consolidation Loan, the amount of your other student loan debt, and the repayment plan you choose, as described in the Direct Consolidation Loan Application and Promissory Note. For more information on eligibility requirements, and how to apply, visit MyFedLoan.org/DLC.

OFFICE OF THE OMBUDSMAN: FedLoan Servicing's mission is to provide first rate customer service. If you have worked with FedLoan Servicing but have not been able to resolve a dispute concerning the terms of your loans, the Office of the Ombudsman is available for further assistance. The Department of Education's Office of Student Financial Assistance has created the Student Loan Ombudsman's office to help borrowers resolve concerns after every effort has been exhausted with the servicer. To learn more about the Office of the Ombudsman, you may visit **studentaid.gov/repay-loans/disputes/prepare**.

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[redacted]

[redacted]

WE PROCESSED A DEFERMENT ON YOUR LOANS

Account Number: [redacted]

We approved an In-School Deferment. See below for details on your impacted loans.

Loan Sequence	Disbursement Date	Loan Program	Current Principal Balance
0001	04/19/2010	DLUNST	$1,128.88
Action	**Type**	**Begin Date**	**End Date**
Approved	In-School Deferment	04/20/2017	12/23/2017

Good to Know

- We will send you notification of any interest that accrues (if applicable) while your payments are postponed. If you do not pay the interest, it may be capitalized (added to your principal balance) at the end of your deferment or forbearance.
- You have the option to cancel a deferment or forbearance on your loans at any time. If you cancel, any outstanding interest may be capitalized and payments will resume.
- Visit MyFedLoan.org/PaymentPlans to learn about repayment plans that may be available if you are having difficulty making payments. Some plans take your income and family size into consideration when determining your monthly payment amount. Many borrowers on these plans have a $0.00 monthly payment!
- If you are enrolled in *Direct Debit*, your payments will automatically be withdrawn from your bank account on your next due date after your deferment or forbearance ends. To temporarily suspend your *Direct Debit* service, contact us at least 3 business days before your scheduled payment date. If you receive an interest rate reduction while enrolled in *Direct Debit*, the interest rate reduction will be lost during periods when *Direct Debit* is suspended.
- Visit MyFedLoan.org to review the status of your loans.

What is capitalization? Capitalization is the addition of unpaid accrued interest to the principal balance of your loans. Capitalization increases your principal balance, so you will pay more in interest over the life of the loan if interest capitalizes. This means your monthly payment amount may increase when your deferment ends or your repayment period may be longer and the number of remaining payments on your loan increased.

The following example shows hypothetical monthly payments and the total repayment amount when you pay the interest during a deferment compared to when you do not pay the interest and it is capitalized when the deferment ends. This

example uses an interest rate of 8.25%. The actual amount of interest that capitalizes depends on factors such as your loan amount, interest rate and length of the deferment.

During Deferment	Loan Amount	Capitalized Interest for 12 Months	Principal to be Repaid	Monthly Payment	Number of Payments	Total Amount Repaid
When you pay the interest	$15,000	$0	$15,000	$184	120	$23,315*
When you don't pay the interest	$15,000	$1,238	$16,238	$199	120	$23,900

* Total amount repaid includes $1,238 of interest you paid during the deferment.
Result: If you pay the interest during the deferment, you will save $15 per month and $585 over the life of the loan.

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Revised Pay As You Earn (Direct only)*: Under Revised Pay As You Earn (REPAYE), your monthly payment amount is based on your (and your spouse's if applicable) AGI, family size and state of residence. Your payment amount may be adjusted annually, as annual verification of your AGI and family size is required. If you only received loans as an undergraduate, any remaining balance will be forgiven after 20 years of qualifying repayment. If you received any eligible loans as a graduate or professional student, any remaining balance will be forgiven after 25 years of qualifying repayment. If your loans are not fully repaid after the maximum repayment period and you met the repayment requirements, any unpaid amount will be forgiven. Visit MyFedLoan.org for more details. **Excludes PLUS Loans made to parent borrowers and Consolidation Loans with underlying PLUS Loans made to parent borrowers.*

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Income Sensitive (FFELP Only): This repayment plan provides a reduced monthly payment amount based on a percentage of your monthly gross income and the monthly interest that accrues on your loans. You must request this plan annually and supply all required documentation.

POSTPONING REPAYMENT OPTIONS- It is best to try to change your repayment plan to reduce your monthly payment, but if you need a short term solution because you are unable to make any payments, take the eligibility quiz at MyFedLoan.org.

Deferment: You are allowed to temporarily stop making payments if approved for a deferment. You must request the deferment and provide any required documentation. You are responsible for the interest that accrues on unsubsidized Stafford Loans, PLUS loans, SLS loans, and the unsubsidized portion of Consolidation Loans during periods of deferment. Any interest that you do not pay during the deferment will be capitalized (added to the principal balance of your loans). Capitalization of interest increases the total cost of your loans.

Forbearance: If you do not qualify for a deferment, you are allowed to temporarily stop making payments if approved for forbearance. During a period of forbearance, you are responsible for the interest that accrues on all of your loans. You must request the forbearance and provide any required documentation. Any interest that you do not pay during the forbearance will be capitalized (added to the principal balance of your loans). Capitalization of interest increases the total cost of your loans.

DISCHARGE: A loan discharge is a release of your obligation to repay your loans, either in whole or in part. To review circumstances under which you may qualify for a loan discharge and to download an application, visit MyFedLoan.org/Discharge.

CONSOLIDATION: Consolidation allows you to combine all of your eligible student loans into one loan, for easier loan management. The term of repayment is from 10 to 30 years, depending on the amount of your Direct Consolidation Loan, the amount of your other student loan debt, and the repayment plan you choose, as described in the Direct Consolidation Loan Application and Promissory Note. For more information on eligibility requirements, and how to apply, visit MyFedLoan.org/DLC.

OFFICE OF THE OMBUDSMAN: FedLoan Servicing's mission is to provide first rate customer service. If you have worked with FedLoan Servicing but have not been able to resolve a dispute concerning the terms of your loans, the Office of the Ombudsman is available for further assistance. The Department of Education's Office of Student Financial Assistance has created the Student Loan Ombudsman's office to help borrowers resolve concerns after every effort has been exhausted with the servicer. To learn more about the Office of the Ombudsman, you may visit **studentaid.gov/repay-loans/disputes/prepare**.

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[redacted]

[redacted]

ANNUAL NOTICE:

YOU HAVE OUTSTANDING INTEREST

Account Number: [redacted]

The payments you made under your reduced payment plan did not satisfy all of the interest on your loans. As of June 30th, you have $151.35 in outstanding interest due to the payments you made between July 1, 2016 and June 30, 2017 under an Income-Contingent Repayment or Alternative Repayment plan did not cover all of the interest that accrued each month.

You also have additional outstanding interest in the amount of $952.71. You are still responsible for paying this interest, but it will not increase your loan balance on **July 31st**.

You Have Options
Carefully review and take one of these actions before **July 31st.**

Option 1: Make a full payment of $151.35
We recommend this option. It prevents your principal balance from increasing by the amount listed above.

Option 2: Make a partial payment
Paying even a portion of the $151.35 will decrease the amount that adds to your balance.

Option 3: Do nothing
If you cannot pay any of the outstanding interest before July 31st, it will be added to your principal balance. You will pay more over time since you will be accruing interest on a higher loan balance.

Ways To Pay

Pay Online: MyFedLoan.org
Pay By Phone: 800-699-2908
Pay By Mail: Department of Education
FedLoan Servicing
P.O. Box 530210
Atlanta, GA 30353-0210

Include your account number, [redacted] on a check or money order made payable to FedLoan Servicing.

Helpful Hints

- This interest payment does not satisfy your monthly payment. Continue to make your payments each month.
- If your account is currently on a deferment or forbearance, your unpaid interest will not be capitalized (added to your principal balance) until the end of the deferment or forbearance.

Loan Information

Loan Program	Disbursement Date	Current Principal Balance	Interest Rate	Total Outstanding Interest
DLUNST	10/21/2011	$12,828.85	6.800%	$1,104.06
Total Outstanding Interest (for all loans listed above)				**$1,104.06**

From: Battle, Cynthia
Sent: 31 Oct 2016 15:00:51 +0000
To: Bubel, Susan;Chialastri, Taneka
Cc: Foss, Ian
Subject: FW: (b)(6) v. Great Lakes Educational Loan Services, Inc., et al. - 15-cv-475-bbc (W.D. Wis.)

FYI…

From: Oldre, Lisa
Sent: Monday, October 31, 2016 7:41 AM
To: DeMoss, Joyce; Leifeste, Denise; Paul, Colby; Singleton, Rhonda; O'Flaherty, Sue; Battle, Cynthia; Brooks, John; Bryson, Jane; Callahan, Nicole; Carter, Sharon; Hough, Jana; Trubia, Patricia; Singleton, Rhonda; Kang, Soo; Gibson, Karen; Eliadis, Pam; Brown, Annette; Dence, Ross; Dragoo, Janet; Holloway, Destre; Johnson, Debbe; Lewey, Susan; Myers-Wright, Helena; Odom, Christian; [redacted] Roberts, Sherika; Van Buren, Eric; Vann, Jason; Walsh, Mark
Cc: LaVia, Mark
Subject: FW: (b)(6) v. Great Lakes Educational Loan Services, Inc., et al. - 15-cv-475-bbc (W.D. Wis.)

(b)(4); (b)(6)

(b)(4); (b)(6)

All,

Please be sure to review the below and take appropriate action if you are in fact contacted regarding (b)(6) (b)(6) (understanding you may not have been notified last fall).
Please share with others as you deem appropriate.

Lisa

Lisa Oldre | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-3249 | C: (202) 280-8871 | lisa.oldre@ed.gov

Federal Student Aid
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PROUD SPONSOR of the AMERICAN MIND™

From: Zibel, Daniel
Sent: Friday, October 28, 2016 3:12 PM
To: McGinnis, Colleen; Leith, William
Cc: Trubia, Patricia; Oldre, Lisa
Subject: RE: (b)(6) v. Great Lakes Educational Loan Services, Inc., et al. - 15-cv-475-bbc (W.D. Wis.)

**

Last fall, you received a document preservation notice regarding a lawsuit that was filed against the Department and Great Lakes Educational Loan Services (Great Lakes) by a borrower named (b)(6) (b)(6) In that lawsuit, (b)(6) seeks compensation (to her and to a potential class of borrowers) for the alleged improper capitalization of interest by Great Lakes during certain periods of forbearance on both Direct and FFEL loans. Although the Department was dismissed as a defendant from this lawsuit in February 2016, the lawsuit has continued against Great Lakes.

We recently learned from the Department of Justice that (b)(6) attorney may be looking to speak to Department employees regarding this lawsuit, or may be asking Department employees to provide documents regarding this lawsuit. DOJ has instructed the attorney to follow the Department's procedures and regulations regarding demanding testimony or records.

It does, however, remain possible that you may be contacted directly regarding this matter. If that happens to you, or you become aware that any other Department employee has received such an inquiry, please direct the inquiry to Dan Zibel in the Office of the General Counsel at 202-453-5914 or daniel.zibel@ed.gov. If you have any questions, please reach out to Dan.

From: Foss, Ian
Sent: 2 Mar 2017 20:47:28 +0000
To: Utz, Jon;Kane, Rachel
Subject: FW: ED Guidance - Capitalized Interest
Attachments: CRI Letter to ED_ Capped Int Guidance 1-12-17.pdf

For reference—here is the attachment from the original email.

From: McLarnon, Gail
Sent: Thursday, March 02, 2017 8:51 AM
To: Siegel, Brian; Foss, Ian
Cc: Weisman, Annmarie; Smith, Brian
Subject: FW: ED Guidance - Capitalized Interest

Hi Brian and Ian, Please see the attached letter requesting guidance on capitalizing accrued interest for administrative forbearances that are granted to collect documentation. (b)(5)

(b)(5)

From: Brown, Johan
Sent: Thursday, March 02, 2017 8:42 AM
To: McLarnon, Gail
Subject: FW: ED Guidance - Capitalized Interest

Good Morning Ms. McLarnon:

Please see the attached letter from the FFEL Guarantor's Common Review Initiative group requesting policy guidance assistance.

Best Regards,

Ms. Johan Brown
Director, Northern Division
Financial Institution Oversight Service
Program Compliance/Federal Student Aid
U.S. Department of Education
Citigroup Center
500 West Madison Street, Suite 1551
Chicago, Il 60661
Phone: (312) 730-1642

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From: Wallace, Jerry
Sent: Wednesday, March 01, 2017 4:21 PM
To: Brown, Johan
Subject: RE: ED Guidance - Capitalized Interest

Johan

Request related to policy should be forwarded to Gail McLarnon.

Gail McLarnon
Senior Director, Policy Development, Analysis,
and Accreditation Service
Office of Postsecondary Education
Department of Education
202-219-7048
gail.mclarnon@ed.gov

Jerry W. Wallace
Director
Financial Institution Oversight Service
Office: (214) 661-9515
Fax: (214) 661-9581
E-Mail: Jerry.Wallace@ed.gov

StudentAid.gov



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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @ecmc.org]
Sent: Thursday, January 12, 2017 1:24 PM
To: Brown, Johan
Cc: (b)(4); (b)(6)
Subject: ED Guidance - Capitalized Interest

(b)(4); (b)(6)

Hi Johan,

As (b)(4); (b)(6) mentioned yesterday in CRI's monthly council call, we are in need of guidance from the Department. (b)(5)

(b)(5) Please see the attached letter for more details. If any additional information is needed or you have questions please don't hesitate to contact me or (b)(4); (b)(6)

Thank you for your assistance in this matter.

(b)(4); (b)(6)

(b)(4); (b)(6)
Director
Internal Audit Department

ECMC
Group

P (b)(6)
F

(b)(4); (b)(6) @ecmc.org

CRI
Common Review Initiative

January 12, 2017

Ms. Johan Brown
Director, Northern Division
U.S. Department of Education, Financial Institution Oversight Service
Citigroup Center
500 West Madison Street, Suite 1551
Chicago, IL 60661

Re: Guidance on 34 CFR §682.211(f)(11) – capitalization of interest

Dear Ms. Brown,

CRI is seeking clarification from the U.S. Department of Education (ED) on regulation §682.211(f)(11) which states:

"A lender may grant forbearance, upon notice to the borrower or if applicable, the endorser, with respect to payments of interest and principal that are overdue or would be due for a period not to exceed 60 days necessary for the lender to collect and process documentation supporting the borrower's request for a deferment, forbearance, change in repayment plan, or consolidation loan. Interest that accrues during this period is not capitalized."

(b)(5)

(b)(5)

We appreciate your guidance regarding this issue. If you have any questions or need additional information, please contact me at (b)(4); (b)(6)

Sincerely,

(b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6) Chair

From: McLarnon, Gail
Sent: 3 Mar 2017 17:44:13 +0000
To: Mahaffie, Lynn
Cc: Arnold, Nathan;Siegel, Brian;Foss, Ian
Subject: FW: ED Guidance - Capitalized Interest
Attachments: CRI Letter to ED_ Capped Int Guidance 1-12-17.pdf
Importance: High

Hi Lynn, Please see the attached letter requesting our guidance on capitalizing accrued interest for administrative forbearances that are granted to collect documentation. (b)(5)

(b)(5)

(b)(5)

Thanks, Gail

From: Brown, Johan
Sent: Thursday, March 02, 2017 8:42 AM
To: McLarnon, Gail
Subject: FW: ED Guidance - Capitalized Interest

Good Morning Ms. McLarnon:

Please see the attached letter from the FFEL Guarantor's Common Review Initiative group requesting policy guidance assistance.

Best Regards,

Ms. Johan Brown
Director, Northern Division
Financial Institution Oversight Service
Program Compliance/Federal Student Aid
U.S. Department of Education
Citigroup Center
500 West Madison Street, Suite 1551
Chicago, Il 60661
Phone: (312) 730-1642

Federal Student Aid
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PROUD SPONSOR of the AMERICAN MIND™

From: Wallace, Jerry
Sent: Wednesday, March 01, 2017 4:21 PM
To: Brown, Johan
Subject: RE: ED Guidance - Capitalized Interest

Johan

Request related to policy should be forwarded to Gail McLarnon.

Gail McLarnon
Senior Director, Policy Development, Analysis,
and Accreditation Service
Office of Postsecondary Education
Department of Education
202-219-7048
gail.mclarnon@ed.gov

Jerry W. Wallace
Director
Financial Institution Oversight Service
Office: (214) 661-9515
Fax: (214) 661-9581
E-Mail: Jerry.Wallace@ed.gov

StudentAid.gov

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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: ecmc.org]
Sent: Thursday, January 12, 2017 1:24 PM
To: Brown, Johan
Cc: (b)(4); (b)(6)
Subject: ED Guidance - Capitalized Interest

(b)(4); (b)(6)

Hi Johan,

As mentioned yesterday in CRI's monthly council call, we are in need of guidance from the Department. (b)(5)
(b)(5) Please see the attached letter for more details. If any additional information is needed or you have questions please don't hesitate to contact me or (b)(4); (b)(6)

Thank you for your assistance in this matter.

(b)(4); (b)(6)

Director
Internal Audit Department

ECMC
Group

P (b)(6)
F
(b)(4); (b)(6) @ecmc.org

CRI
Common Review Initiative

January 12, 2017

Ms. Johan Brown
Director, Northern Division
U.S. Department of Education, Financial Institution Oversight Service
Citigroup Center
500 West Madison Street, Suite 1551
Chicago, IL 60661

Re: Guidance on 34 CFR §682.211(f)(11) – capitalization of interest

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"A lender may grant forbearance, upon notice to the borrower or if applicable, the endorser, with respect to payments of interest and principal that are overdue or would be due for a period not to exceed 60 days necessary for the lender to collect and process documentation supporting the borrower's request for a deferment, forbearance, change in repayment plan, or consolidation loan. Interest that accrues during this period is not capitalized."

(b)(5)

(b)(5)

We appreciate your guidance regarding this issue. If you have any questions or need additional information, please contact me at (b)(4); (b)(6)

Sincerely,

(b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6) Chair

From: Bubel, Susan
Sent: 9 Oct 2015 17:43:05 +0000
To: Foss, Ian
Subject: FW: FSA CR 2785
Attachments: Questions from PHEAA 100915.docx

From: Bubel, Susan
Sent: Friday, October 09, 2015 1:42 PM
To: Jackson, Lateata; Battle, Cynthia
Subject: RE: FSA CR 2785

Sorry you might need this to see them ☺
TGIF!

From: Bubel, Susan
Sent: Friday, October 09, 2015 1:37 PM
To: Jackson, Lateata; Battle, Cynthia
Subject: RE: FSA CR 2785

Here are my draft answers.
Thanks,
Sue

From: Jackson, Lateata
Sent: Friday, October 09, 2015 1:14 PM
To: Bubel, Susan; Battle, Cynthia
Subject: FW: FSA CR 2785

Additional capitalization questions?

From: Smith, Lynn
Sent: Friday, October 09, 2015 1:09 PM
To: Jackson, Lateata; Onley, Nora; Whittington, Rochelle
Cc: (b)(4); (b)(6) Miller, Debbie; Connelly, Tammy; Gibson, Karen; Allen, Heather; Jones, Amber K.; Washington, Patrice
Subject: FW: FSA CR 2785

This email is being sent on behalf of Tammy Connelly.
Good Afternoon]
Please see PHEAA's questions/request for clarification below and let us know when a response is available
Thanks.
Lynn Smith
COR

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Friday, October 09, 2015 12:58 PM
To: Allen, Heather; Connelly, Tammy; Galvez, Michelle; Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Smith, Lynn; Washington, Patrice
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: FSA CR 2785

Good Afternoon! As we work through the requirements and design for FSA CR 2785 - Interest Buckets, we identified the following questions and would like clarification:

(b)(5)

(b)(5)

Please let me know if you have any questions or need additional information.

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | (b)(6)

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Code:PHEAA

Page 0702

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0703

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 9 Oct 2015 17:37:05 +0000
To: Foss, Ian
Subject: FW: FSA CR 2785

FYI ☺ Hope you have a nice Long weekend !

From: Bubel, Susan
Sent: Friday, October 09, 2015 1:37 PM
To: Jackson, Lateata; Battle, Cynthia
Subject: RE: FSA CR 2785

Here are my draft answers.
Thanks,
Sue

From: Jackson, Lateata
Sent: Friday, October 09, 2015 1:14 PM
To: Bubel, Susan; Battle, Cynthia
Subject: FW: FSA CR 2785

Additional capitalization questions?

From: Smith, Lynn
Sent: Friday, October 09, 2015 1:09 PM
To: Jackson, Lateata; Onley, Nora; Whittington, Rochelle
Cc: (b)(4); (b)(6) Miller, Debbie; Connelly, Tammy; Gibson, Karen; Allen, Heather; Jones, Amber K.; Washington, Patrice
Subject: FW: FSA CR 2785

This email is being sent on behalf of Tammy Connelly.
Good Afternoon]
Please see PHEAA's questions/request for clarification below and let us know when a response is available
Thanks.
Lynn Smith
COR

(b)(4); (b)(6)

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Sent: Friday, October 09, 2015 12:58 PM
To: Allen, Heather; Connelly, Tammy; Galvez, Michelle; Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Smith, Lynn; Washington, Patrice
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(b)(5)

(b)(5)

Please let me know if you have any questions or need additional information.

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | (b)(6)

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Code:PHEAA

From: Bubel, Susan
Sent: 28 Oct 2015 12:54:05 +0000
To: Foss, Ian
Cc: Jackson, Lateata
Subject: FW: FSA CR 2785
Attachments: Questions from PHEAA 100915.docx

Ian,
Since Cindy is out, can you do a quick sanity check on my responses so we can send them off to PHEAA?
Thanks,
Sue

From: Bubel, Susan
Sent: Thursday, October 22, 2015 9:16 PM
To: Jackson, Lateata; Battle, Cynthia
Subject: FW: FSA CR 2785

Found the draft answers I sent ☺ Let me know fi you want to discuss before sending.
Thanks,
Sue

From: Bubel, Susan
Sent: Friday, October 09, 2015 1:42 PM
To: Jackson, Lateata; Battle, Cynthia
Subject: RE: FSA CR 2785

Sorry you might need this to see them ☺
TGIF!

From: Bubel, Susan
Sent: Friday, October 09, 2015 1:37 PM
To: Jackson, Lateata; Battle, Cynthia
Subject: RE: FSA CR 2785

Here are my draft answers.
Thanks,
Sue

From: Jackson, Lateata
Sent: Friday, October 09, 2015 1:14 PM
To: Bubel, Susan; Battle, Cynthia
Subject: FW: FSA CR 2785

Additional capitalization questions?

From: Smith, Lynn
Sent: Friday, October 09, 2015 1:09 PM
To: Jackson, Lateata; Onley, Nora; Whittington, Rochelle
Cc: (b)(4); (b)(6) Miller, Debbie; Connelly, Tammy; Gibson, Karen; Allen, Heather; Jones, Amber K.; Washington, Patrice
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This email is being sent on behalf of Tammy Connelly.
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Please see PHEAA's questions/request for clarification below and let us know when a response is available
Thanks.
Lynn Smith
COR

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Friday, October 09, 2015 12:58 PM
To: Allen, Heather; Connelly, Tammy; Galvez, Michelle; Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Smith, Lynn; Washington, Patrice
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: FSA CR 2785

Good Afternoon! As we work through the requirements and design for FSA CR 2785 - Interest Buckets, we identified the following questions and would like clarification:

(b)(5)

Please let me know if you have any questions or need additional information.

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | (b)(6)

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Code:PHEAA

Page 0709

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0710

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 3 Sep 2015 16:38:03 +0000
To: Foss, Ian
Subject: FW: La Teata: CR 2785 (1492 Requirement Clarification) --- Question from VSAC
Attachments: FW: Email information from Lisa Oldre on FLC non-capping guidance
Importance: High

To add more fun to your day….

(b)(5)

I am so confused. ☹

From: Jackson, Lateata
Sent: Thursday, September 03, 2015 12:25 PM
To: Bubel, Susan; Battle, Cynthia
Subject: FW: La Teata: CR 2785 (1492 Requirement Clarification) --- Question from VSAC
Importance: High

Can you both take a look at this?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Hello La Teata (BA of CR 2785),
VSAC submitted an initial question about CR 2785; however, the BA or BU asked for additional information about VSAC question(s) and VSAC provided the information below. Can you let me know the answers to the VSAC questions so that I can forward them to VSAC.
The chart below shows the forbearances that (b)(5)

(b)(5)

Forbearance Code	Description	Guidance/reasoning
FDL	Disbursement forbearance used to cover past due periods when old	(b)(5)

	disbursement change information is received via COD	(b)(5)
FEP	FSA exceptional forbearance-used at FSA request	
FLC	IDR forbearance to cover gaps in between periods of PFH.	
FTI	Disability-120 day suspension	
FTP	Disability-indefinite suspension	
FFD	Death admin forbearance	

(b)(5)

Thanks,
Sabrina

From: Ratchford, Sabrina [mailto:Sabrina.Ratchford@ed.gov]
Sent: Friday, July 03, 2015 12:29 AM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6) Oldre, Lisa; Smith, Lynn; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: VSAC Question on CR 2785 (1492 Requirement Clarification)

Hello Rosanne,
The FSA business analyst requests that VSAC provide the previous guidance that you are referencing; therefore, can you provide this information?
Thanks,
Sabrina

_____
Sabrina Ratchford
Contracting Officer's Representative
U.S. Department of Education
Office of Federal Student Aid
Business Operations
830 First Street NE, Room 63H1
Washington, DC 20202
202-377-3622

From: Ratchford, Sabrina
Sent: Thursday, July 02, 2015 11:27 AM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6) Oldre, Lisa; Smith, Lynn; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: VSAC Question on CR 2785 (1492 Requirement Clarification)

Hello Rosanne,
I forwarded your inquiry below to the appropriate FSA office and will let you know when I receive a response.
I will be out of the office most of next week; therefore, please check with Lynn Smith next week if I do not send you a response today.
Sabrina

_____
Sabrina Ratchford
Contracting Officer's Representative
U.S. Department of Education
Office of Federal Student Aid
Business Operations
(b)(4); (b)(6)
830 First Street NE, Room 63H1
Washington, DC 20202
202-377-3622

From: (b)(4); (b)(6) [mailto: @vsac.org]
Sent: Tuesday, June 30, 2015 11:56 AM
To: Ratchford, Sabrina
Cc: (b)(4); (b)(6) Oldre, Lisa; Smith, Lynn; (b)(4); (b)(6)

(b)(4); (b)(6)

Subject: VSAC Question on CR 2785 (1492 Requirement Clarification)

Hi Sabrina – We have a question regarding CR 2785 that we're hoping to get some clarity on. Per guidance received in CR 2785, FSA states that the only instances of non-capping forbearance should be as follows:

- Borrower is waiting for paperwork to be completed (60 day admin forbearance)
- The borrower is waiting for a consolidation to complete (60 day admin forbearance)
- When during a loan transfer the borrower received at the New Servicer is between 1 and 60 days delinquent (Transfer forb)
- Disaster forbearance (90 days-exception to 60 day rule)

(b)(5)

Thanks!

(b)(4); (b)(6)

Manager, Information Technology and Project Management
VSAC
10 East Allen Street
Winooski, VT 05404

(b)(6)

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From: (b)(4); (b)(6)
Sent: 6 Jul 2015 18:49:28 +0000
To: (b)(4); (b)(6)
Subject: FW: Email information from Lisa Oldre on FLC non-capping guidance

1. This has to do with the Xerox Double Debit issue (Dec 2012)

From: Oldre, Lisa [mailto:Lisa.Oldre@ed.gov]
Sent: Wednesday, January 02, 2013 9:10 AM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
Subject: RE: FYI - Borrower calls into Call centers

In those instances yes.
Thanks for clarifying.

From: (b)(4); (b)(6) [mailto: (b)(4); (b)(6) @vsac.org]
Sent: Wednesday, January 02, 2013 7:32 AM
To: Oldre, Lisa
Cc: (b)(4); (b)(6)
Subject: RE: FYI - Borrower calls into Call centers

Lisa,
When the double payment hit, some borrowers believe that Xerox was paid and ours was returned NSF leaving them delinquent with us. Until the funds are received from Xerox, they are unable to pay us. For those rare cases, we hoped to use a non-capping Admin Forb to bring them current.
(b)(4); (b)(6)

From: Oldre, Lisa [mailto:Lisa.Oldre@ed.gov]
Sent: Monday, December 31, 2012 9:09 AM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
Subject: RE: FYI - Borrower calls into Call centers

Not sure what circumstances would warrant it – can you explain?
VSAC would be servicing the account "as normal" and what happened at Xerox shouldn't have impacted the accounts at VSAC (other than drive calls).
If you have specific examples please let me know.
Lisa

From: (b)(4); (b)(6) [mailto: (b)(4); (b)(6) @vsac.org]
Sent: Friday, December 28, 2012 2:00 PM
To: Oldre, Lisa
Cc: (b)(4); (b)(6)
Subject: RE: FYI - Borrower calls into Call centers

Lisa,
Do we have the OK from FSA to utilize a non-capping Admin Forb to handle some of these borrowers if circumstances warrant it?
(b)(4); (b)(6)

2. This one is related to IBR recerts, borrower has used all months of discretionary forbearance, cannot afford expedited payment.

From: Oldre, Lisa [mailto:Lisa.Oldre@ed.gov]
Sent: Tuesday, July 29, 2014 2:00 PM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
Subject: RE: Follow- up from last weeks call - exception needed

I would try for a reduce pay forb to cover the gap and if not then yes the non capping forb
Our goal is the same – get them in the repayment plan

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @vsac.org]
Sent: Tuesday, July 29, 2014 1:56 PM
To: Oldre, Lisa
Cc: (b)(4); (b)(6)
Subject: RE: Follow- up from last weeks call - exception needed

Just for clarity, are you saying to use the non capping admin forb (like the other accounts) instead of making them make a reduced payment?

(b)(4); (b)(6)
Assistant Director,
FAST Customer Relations & Administrative Services
Vermont Student Assistance Corporation
(b)(4); (b)(6) @vsac.org
(b)(6)
1-800-660-3561 ext (b)(6)

From: Oldre, Lisa [mailto:Lisa.Oldre@ed.gov]
Sent: Tuesday, July 29, 2014 1:55 PM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
Subject: RE: Follow- up from last weeks call - exception needed

(b)(4); (b)(6)

Approved to apply the admin forb to all the included accounts

Lisa

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @vsac.org]
Sent: Tuesday, July 29, 2014 11:01 AM
To: Oldre, Lisa

Cc: (b)(4); (b)(6)
Subject: Follow- up from last weeks call - exception needed

Lisa,

We spoke about this on the call last week and I am now sending the accounts I am looking for an exception on. Here is the detail of why we are asking for an exception:

Background: Currently when a borrower exits IBR, the borrower must make an expedited payment before entering into another repayment plan. We have been given guidance that this payment must be satisfied – as a full installment or a reduced amount via reduced pay forbearance.

Scenario: We have borrowers exit IBR that are also out of forbearance limits. When that happens, the borrower must make the full expedited payment before entering a new repayment plan. This is frustrating for the borrower as the expedited payment is often not affordable as it is based on a 10 year repayment term.

Exception request: Could FSA provide authorization to use a reduced pay forbearance for this scenario that would not count towards the General Forbearance 36 month limit? Or is there another way to help borrowers in this scenario?

Let me know if you can approve the exception for the attached accounts. Thank you! I will send the password next.

(b)(4); (b)(6)
Assistant Director,
FAST Customer Relations & Administrative Services
Vermont Student Assistance Corporation
(b)(4); (b)(6) @vsac.org

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+1 317.872.3000 voice and fax

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From: Jackson, Lateata
Sent: 3 Mar 2015 10:25:51 -0600
To: Bubel, Susan;Battle, Cynthia;Foss, Ian;Meadows, Kim
Subject: FW: Lateata - GL Question - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

-----Original Message-----
From: Bubel, Susan
Sent: Wednesday, February 25, 2015 10:41 AM
To: Jackson, Lateata; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: RE: Lateata - GL Question - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Sorry sent too fast :) see responses below...

-----Original Message-----
From: Jackson, Lateata
Sent: Wednesday, February 25, 2015 9:56 AM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: FW: Lateata - GL Question - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Additional Great Lakes questions

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

-----Original Message-----
From: Connelly, Tammy
Sent: Wednesday, February 25, 2015 7:54 AM
To: Jackson, Lateata; (b)(4); (b)(6)
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn
Subject: Lateata - GL Question - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Please see the questions below from Great Lakes. Let us know when a response is available.

Thanks.

Tammy Connelly
Contracting Officer?s Representative
FSA/Business Operations/PMS
Budget & Services Management Branch
830 First Street, NE, 61D1
Washington, DC 20202

202-377-3298 (office)

-----Original Message-----
From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Tuesday, February 24, 2015 4:54 PM
To: Connelly, Tammy; (b)(4); (b)(6)
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn
Subject: RE: GL and PHEAA - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

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Two more questions, please -

FSA's response to #55 below indicates the PAYE limit would include capped NegAm interest if the annual NegAm cap took place while the borrower was in PAYE. Sounds like it could include Normal interest that is capped while the borrower is in PAYE as well. Are we reading this correctly?
Yes that is correct.
FSA's response to #62 below indicates the 10% limits for ICR and ALT NegAm are combined. We currently have separate 10% limits for ICR and ALT. Are we interpreting your direction correctly in that we need to make a change to combine them?

Yes that is correct. There is one Neg am 10% limit and it includes Neeg Am interest from both ICR and Alt Neg Am,

Thanks,

Sue

-----Original Message-----
From: Connelly, Tammy [mailto:Tammy.Connelly@ed.gov]
Sent: Wednesday, February 18, 2015 6:07 AM
To: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org)
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn
Subject: GL and PHEAA - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Attached is a revised CR2785 - Requirement Clarification for CR1492. Please provide an assessment for this change by 2/25/15.

Feel free to contact me if you have questions or need more information.

Thanks
Tammy Connelly

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original message and any copy of it from your computer system. If you have any questions concerning this message, please contact the sender.

From: Bubel, Susan
Sent: 2 Oct 2015 16:36:47 +0000
To: Foss, Ian
Subject: FW: Question: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Question

-----Original Message-----
From: Jackson, Lateata
Sent: Friday, October 02, 2015 12:35 PM
To: Bubel, Susan; Battle, Cynthia
Subject: FW: Question: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Question

Can you please provide a response?

-----Original Message-----
From: Washington, Patrice
Sent: Tuesday, September 29, 2015 7:09 AM
To: Jackson, Lateata; Whittington, Rochelle; Miller, Debbie; (b)(4); (b)(6) Onley, Nora; Samuels, Shaun
Cc: Connelly, Tammy; Smith, Lynn; Jones, Amber K.; Lamphier, Katharine; Gibson, Karen; Galvez, Michelle
Subject: Question: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Question

See below question from Nelnet. Please let me know when a response is available.

Thank you,

Patrice D. Washington
Contracting Officer's Representative
Federal Student Aid
Business Operations
830 First Street, NE, 61A2
Washington, DC 20202
202-377-3845 Office

-----Original Message-----
From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @nelnet.net]
Sent: Monday, September 28, 2015 3:57 PM
To: Washington, Patrice
Cc: Connelly, Tammy; Smith, Lynn; Jones, Amber K.; Lamphier, Katharine; Gibson, Karen; (b)(4); (b)(6)
Subject: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Question

Hello,

Nelnet has a clarification question regarding CR2785.

(b)(5)

(b)(5)

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Nelnet | Education Planning & Financing
Lincoln, Nebraska
Telephone (b)(6)
Cell: (b)(6)

(b)(4); (b)(6)

From: Bubel, Susan
Sent: 10 May 2017 21:48:08 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian;Leavitt, Katharine;Kim, Bora
Subject: FW: RE: FSA CR 2785 - PHEAA NegAm
Attachments: Comments on PHEAA CR 2785 Validation May 2017.docx, Comments on PHEAA CR 2785 Validation May 2017_PHEAA response.docx

FYI ☹ on 11 PHEAA stated that a Reduced Payment Forbearance is not a capping event ☹ tomorrow morning will be interesting. Please Join if you can

From: (b)(4); (b)(6) [mailto:(b)(4); @pheaa.org]
Sent: Wednesday, May 10, 2017 4:13 PM
To: Jackson, Lateata
Cc: Kim, Bora; CM_Validation; Battle, Cynthia; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /PHEAA; HQ-2B-SE/PHEAA HQ; Foss, Ian; Oldre, Lisa; (b)(4); (b)(6) /PHEAA; Walsh, Mark; (b)(4); (b)(6) /AES; Yorkshire, Nikcola; (b)(4); (b)(6) /AES; Bubel, Susan; Chialastri, Taneka
Subject: Re: RE: FSA CR 2785 - PHEAA NegAm

Good Afternoon LaTeata!
Attached is our response to your comments/questions. We are ready to provide any additional clarification where needed during tomorrow's walkthrough.

Take Care!

(b)(4); (b)(6)
(b)(4); (b)(6)
FedLoan Servicing School Support
@pheaa.org
Phone: (b)(6)

(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: (b)(4); (b)(6) /PHEAA" <@pheaa.org>,(b)(4); (b)(6) /PHEAA @aessuccess.org>,(b)(4); (b)(6) /PHEAA <@aessuccess.org>,(b)(4); (b)(6) /AES" @aessuccess.org>,(b)(4); (b)(6) /AES @pheaa.org>, /AES @aessuccess.org>, HQ-2B-SE/PHEAA HQ <HQ-2B-SE/PHEAA_HQ@stryder.aessuccess.org>
Cc: "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>
Date: 05/09/2017 08:21 AM
Subject: [external]RE: FSA CR 2785 - PHEAA NegAm

In preparation for our walkthrough on Thursday, FSA wanted to share some preliminary comments/questions we have on the artifacts you submitted. We are requesting that PHEAA take a look at these. In some cases we believe you are missing information in

your artifacts that you will need to provide prior to the walkthrough. In others, you will need to explain your processing to help us understand what you are trying to convey. We will need to address all of these during our walkthrough.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269



Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

(b)(4); (b)(6)

-----Original Appointment-----
From: (b)(4); (b)(6) /PHEAA [mailto (b)(6) @pheaa.org]
Sent: Wednesday, February 22, 2017 10:54 AM
To: (b)(4); (b)(6) /PHEAA; Kim, Bora; CM_Validation; Battle, Cynthia; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /PHEAA; Foss, Ian; Jackson, Lateata; Oldre, Lisa; Walsh, Mark; (b)(4); (b)(6) /AES; Yorkshire, Nikcola; (b)(4); (b)(6) /AES; (b)(4); (b)(6) /AES; Bubel, Susan; Chialastri, Taneka; HQ-2B-SE/PHEAA HQ; Conf No FedLoan (b)(6) /Telecomm Equipment/PHEAA HQ
Subject: FSA CR 2785 - PHEAA NegAm
When: Thursday, May 11, 2017 9:00 AM-12:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: HQ-2B-SE/PHEAA HQ@pheaa

Adjusting the internal location. No other changes.
Event Information

Event:
FSA CR 2785 - PHEAA NegAm Validation

Program:
FSA

Event address for attendees:
https://fedloanservicing.webex.com/fedloanservicing/onstage/g.php?MTID=e88d6ea46666adb4e0f2cb1faf106455c

Date and time:
Tuesday, May 9, 2017 9:00 am

Eastern Daylight Time (New York, GMT-04:00)

Duration:
1 hour

Event number:
(b)(6)

Event password:
(b)(6)

Audio conference:
NUMBER: (b)(6)
ACCESS CODE: (b)(6)

<< File: ecblank.gif >> << File: ATT00001.htm >> << File: ATT00002.htm >> << File: c122738.ics >>

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Code:PHEAA

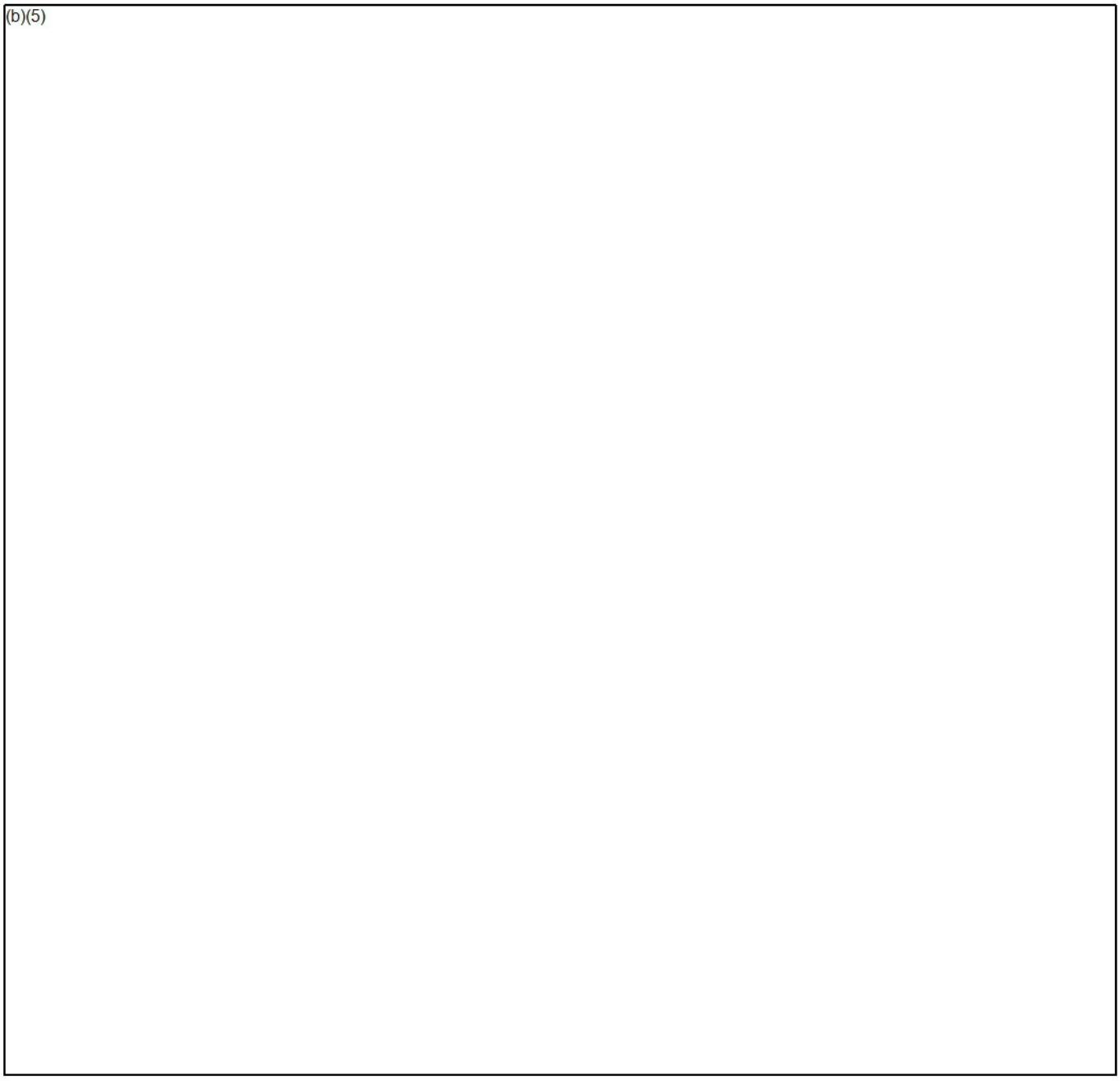
Comments on PHEAA CR 2785 Validation scenario (May 2017)

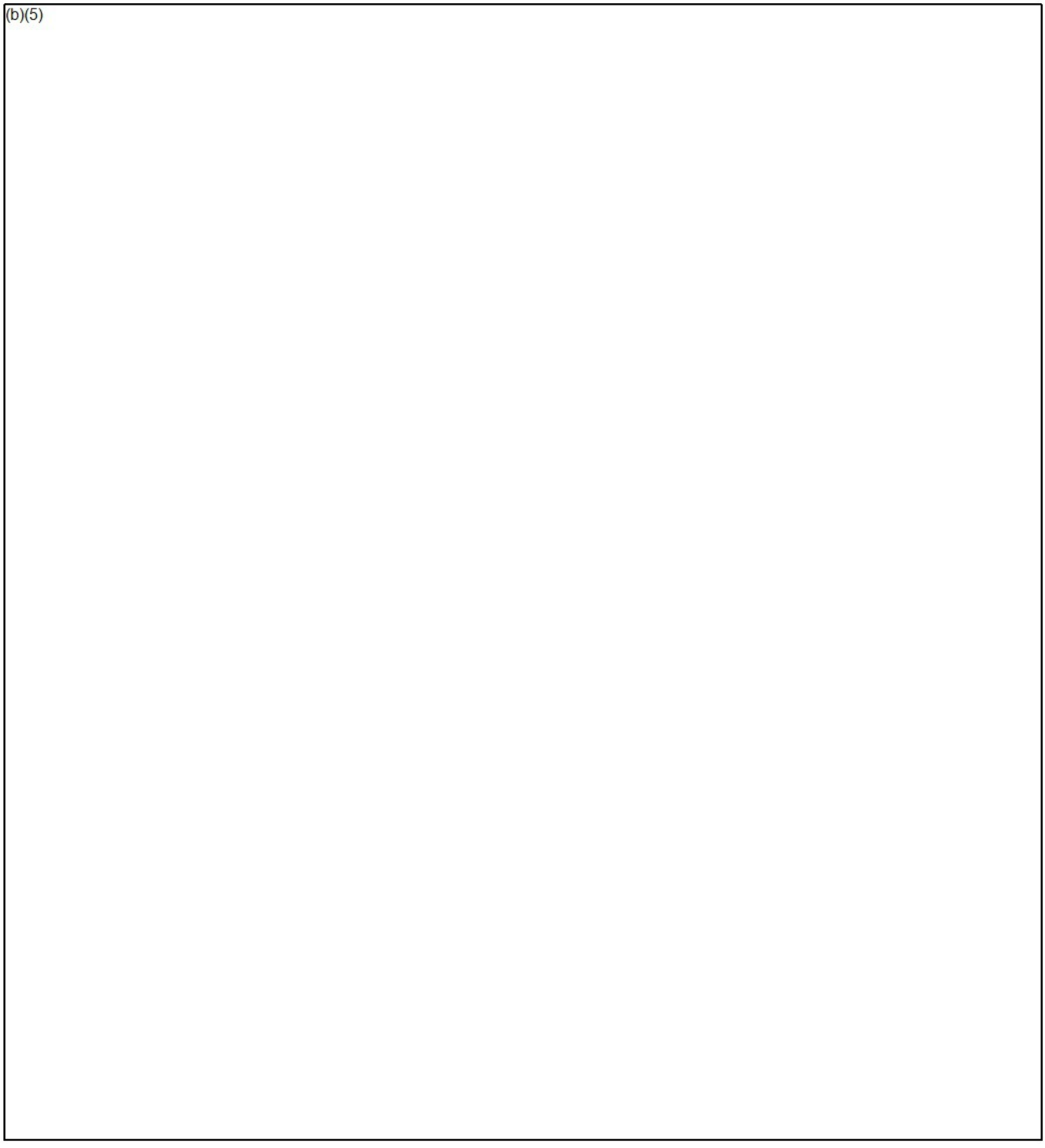
Scenario #1:

(b)(5)

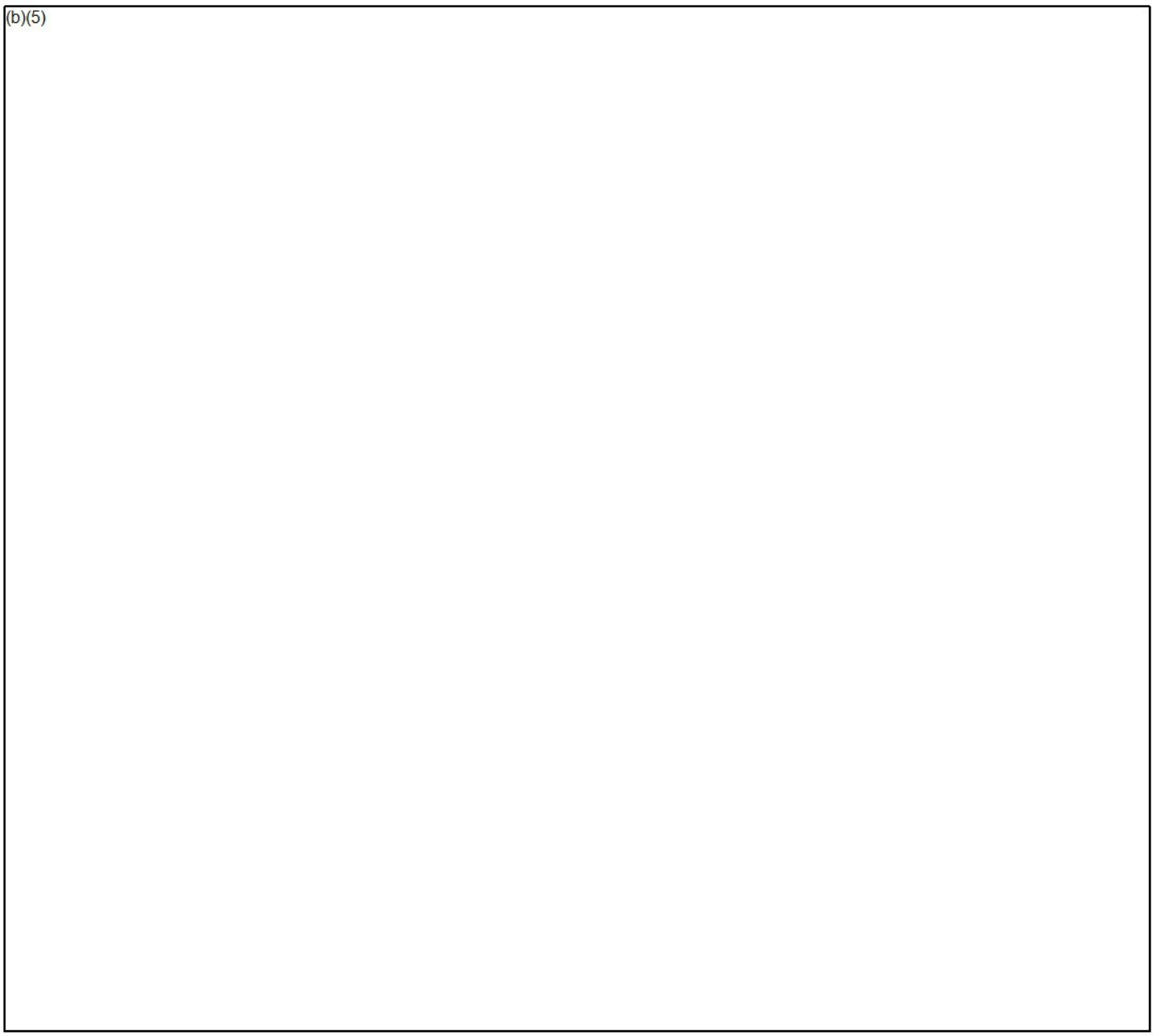
(b)(5)

(b)(5)

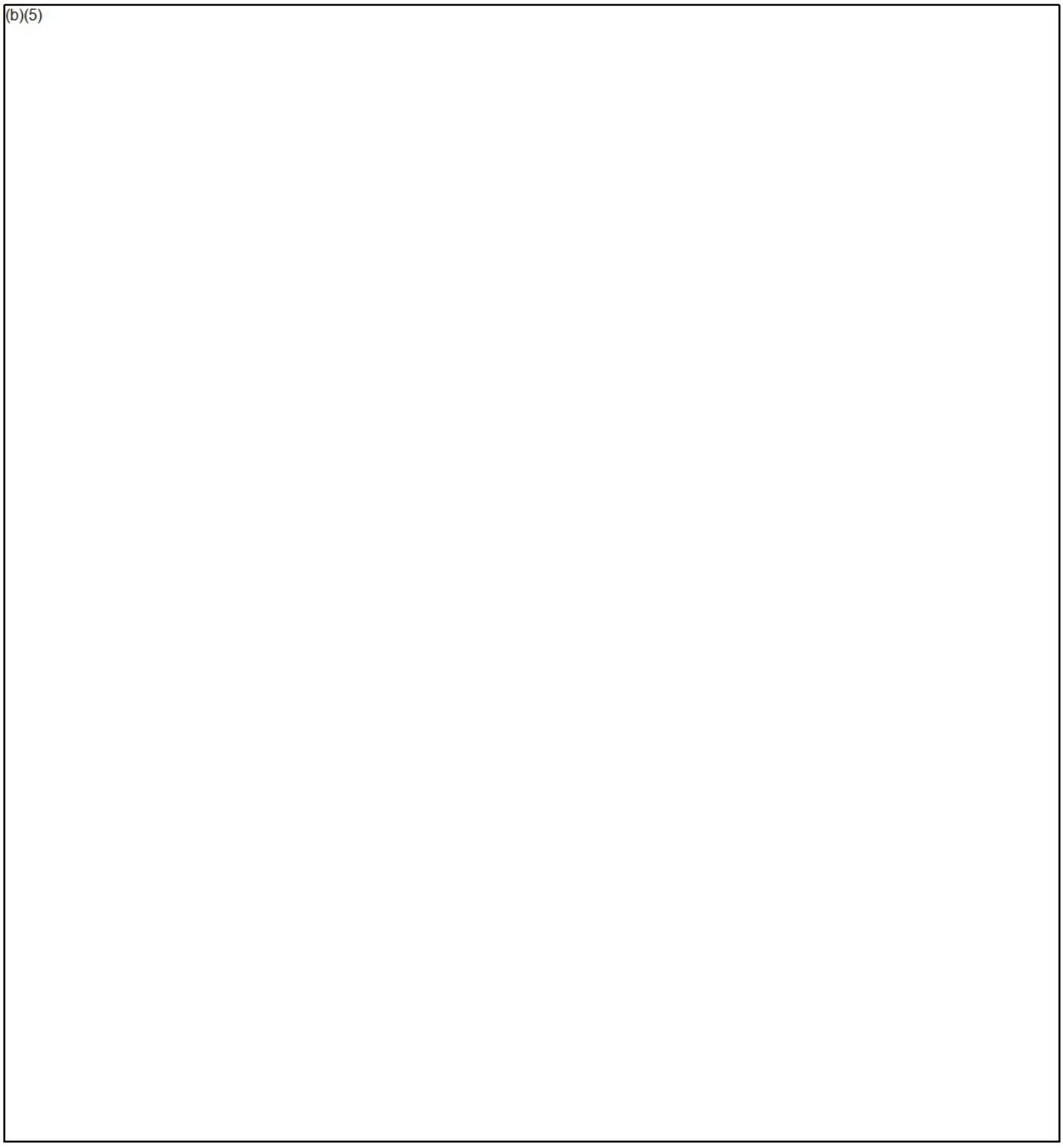

(b)(5)


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Comments on PHEAA CR 2785 Validation scenario (May 2017)

Scenario #1:

(b)(5)

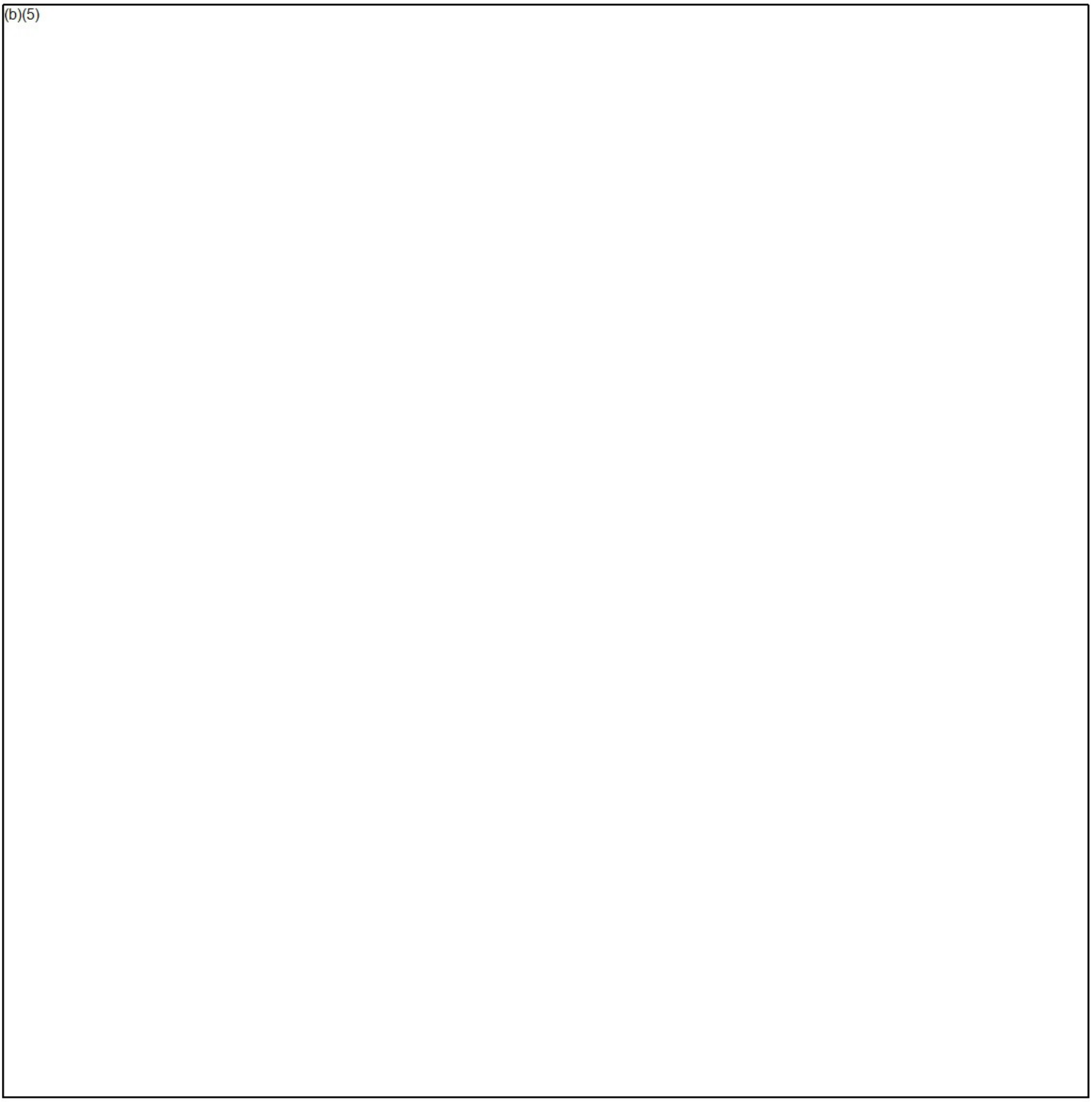
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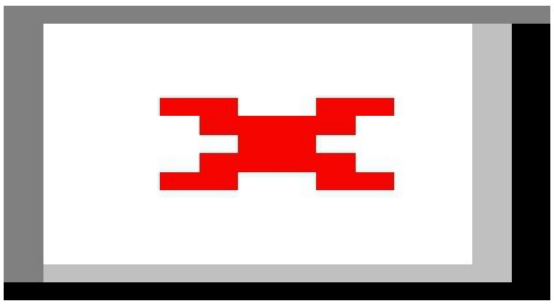

(b)(5)

(b)(5)

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(b)(5)



(b)(5)

(b)(5)

From: Bryant, Michael
Sent: 31 May 2017 17:01:28 +0000
To: Burton, Vanessa
Cc: Estrada, Rosie;Foss, Ian
Subject: FW: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest
Attachments: New Rehab Agreement Letter - v2_20170531_Foss.docx

Vanessa-

(b)(5)

Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993

From: Foss, Ian
Sent: Wednesday, May 31, 2017 11:37 AM
To: Bryant, Michael
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

I also went ahead and took a look at the rehab letter, too. See attached for some suggested edits. ☺

From: Bryant, Michael
Sent: Wednesday, 31 May, 2017 12:08
To: Burton, Vanessa; Foss, Ian; Estrada, Rosie; Howell, Lawannah; Russo, Kami
Cc: Scaniffe, Dawn; Varnovitsky, Natasha
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

(b)(5)

Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993

From: Burton, Vanessa
Sent: Wednesday, May 31, 2017 11:04 AM
To: Foss, Ian; Bryant, Michael; Estrada, Rosie; Howell, Lawannah; Russo, Kami

Cc: Scaniffe, Dawn; Varnovitsky, Natasha
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

(b)(5)

From: Foss, Ian
Sent: Wednesday, May 31, 2017 12:03 PM
To: Bryant, Michael; Estrada, Rosie; Howell, Lawannah; Russo, Kami; Burton, Vanessa
Cc: Scaniffe, Dawn; Varnovitsky, Natasha
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

(b)(5)

From: Bryant, Michael
Sent: Wednesday, 31 May, 2017 12:01
To: Estrada, Rosie; Howell, Lawannah; Russo, Kami; Foss, Ian; Burton, Vanessa
Cc: Scaniffe, Dawn; Varnovitsky, Natasha
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

Ian and OGC-

(b)(5)

Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993

From: Estrada, Rosie
Sent: Tuesday, May 30, 2017 5:53 PM
To: Howell, Lawannah; Russo, Kami; Bryant, Michael
Cc: Estrada, Rosie
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

(b)(5)

Below is a link I found of what is effective on 7/1/2017. Page 129 has something new added that says:

(ii) The lender must not consider the purchase of a rehabilitated loan as entry into repayment or resumption of repayment for the purposes of interest capitalization under §682.202(b).

https://choice.fastproducts.org/mglstatic/sharedcontent/forms/regulations/fed-reg-CFR-682.pdf
Page 129

Rosie Estrada
U.S. Department of Education
FSA| Processing Division| Loan Exchange Unit
50 U.N. Plaza |Mail Box 1200 | Room 1310
San Francisco, CA 94102
Office: (415) 486-5643 | Fax: (415) 486-5672
Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
PROUD SPONSOR of the AMERICAN MIND™
StudentAid.gov

From: Howell, Lawannah
Sent: Tuesday, May 30, 2017 10:00 AM
To: Estrada, Rosie; Russo, Kami
Subject: FW: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest
Importance: High

Hi Rosie,

I received this question from one of the PCAs. Are you aware of this change?? I had not heard anything about this.

Lawannah

From: (b)(6) [mailto:(b)(4); (b)(6) @gcserv.com]
Sent: Tuesday, May 30, 2017 11:55 AM
To: Howell, Lawannah
Subject: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

Good morning Lawannah,

Based on our call, here is the information that our legal team passed to me regarding the change needed to the RAL.

- For rehabilitated FFEL loans, effective 7/1/2017, outstanding accrued interest cannot be capitalized (added to the unpaid principal balance) at the conclusion of the rehabilitation process (e.g. purchase or assignment of rehabbed loan).

- We'd like to know whether ED has insight about the matter with regard to protocol for FFEL-specific rehab-related communications with Borrowers (in addition to the Dear Colleague letters and regulatory communications we're aware of).

Page 0754

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0755

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: (b)(4); (b)(6)
Sent: 24 May 2016 17:42:41 +0000
To: Ryder, Jennifer
Cc: Bubel, Susan;Battle, Cynthia;(b)(4); (b)(6);Foss, Ian
Subject: FW: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)

Hi Jennifer,
You are welcome. The only additional procedural change is the implementation of a "30-day" letter. The letter notifies the borrowers 30 days before we will be expiring their SCRA benefits in order to allow them a chance to send in additional documentation. This was also included in the consent order that Sallie Mae must do so which we incorporated in to our procedures.
We must also check the DMDC website to verify the borrower is no longer active duty before we can expire benefits. Because the DMDC website doesn't provide an active duty end date until the borrower is no longer active duty, this means we have to wait to send the letter until we have confirmation that the borrower is no longer active. So we send them a letter telling them we have learned they are no longer active and that they have 30 days to provide additional information or we will end their benefits as of the active duty end date.
Please let me know if you have any questions.
Thank you,

(b)(4); (b)(6) | Manager – Servicing Operations
☎ (b)(6) | Mobile (b)(6) | F: (b)(6) | (b)(4); @glhec.org
Great Lakes Educational Loan Services, Inc.

From: Ryder, Jennifer [mailto:Jennifer.Ryder@ed.gov]
Sent: Monday, May 23, 2016 11:47 AM
To: (b)(4); (b)(6)
Cc: Bubel, Susan; Battle, Cynthia;(b)(4); (b)(6)
Foss, Ian
Subject: RE: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)

(b)(4); thanks for clarifying the interpretation. Are there any other procedural changes that would need to be made to bring Great Lakes in line with FSA's guidance? Specifically, are there any other terms of the consent order that Great Lakes incorporated into procedures, that weren't necessarily outlined in the SCRA change requests?

From: (b)(4); (b)(6) [mailto:(b)(4); @glhec.org]
Sent: Monday, May 23, 2016 11:01 AM
To: Foss, Ian
Cc: Bubel, Susan; Ryder, Jennifer; Battle, Cynthia;(b)(4); (b)(6)
(b)(4); (b)(6)
Subject: FW: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)

Ian,

(b)(5)

(b)(5)

We are happy to help if you have any additional questions.
Thank you,
Jamie

(b)(4); (b)(6) **Manager – Servicing Operations**
☎ (b)(6) | Mobile (b)(6) | F: (b)(6) ✉ (b)(4); @glhec.org
Great Lakes Educational Loan Services, Inc.

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Wednesday, May 04, 2016 3:18 PM
To: (b)(4); (b)(6) Napralla, Jamie; Bubel, Susan; Battle, Cynthia
Subject: RE: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)

(b)(5)

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Tuesday, May 03, 2016 6:14 PM
To (b)(4); (b)(6) @glhec.org; Bubel, Susan; Foss, Ian; Battle, Cynthia
Subject: RE: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)

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Sorry! The lawyer who originally set this direction has since retired. These were all the documents I could find from her on this topic. Hope it helps!

From: (b)(4); (b)(6)
Sent: Tuesday, May 03, 2016 5:11 PM
To: 'Bubel, Susan (Susan.Bubel@ed.gov)'; 'Ian.Foss@ed.gov'; 'Battle, Cynthia (Cynthia.Battle@ed.gov)'
Cc: (b)(4); (b)(6)
Subject: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)
Importance: High

Good Afternoon,

Thank you again for the meeting yesterday pertaining to questions we had on CR2785. I am following up on two follow-up items as a result of that meeting. Please see the items and details below:

(b)(5)

Thank you,
Jamie

(b)(4); (b)(6) **Manager – Servicing Operations**
☎ (b)(6) | Mobile (b)(6) | F: (b)(6) | (b)(4); @glhec.org
Great Lakes Educational Loan Services, Inc.

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error, please forward the communication to notme@glhec.org immediately and destroy or delete the original message and any copy of it from your computer system. If you have any questions concerning this message, please contact the sender.

From: Bubel, Susan
Sent: 10 Mar 2016 15:38:50 +0000
To: Foss, Ian;Battle, Cynthia
Subject: FW: TIVAS / NFP - Transfer Suggestion for CR 2785: Non-Capping Interest Values

FYI

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, March 10, 2016 10:31 AM
To: DLCapitalization
Cc: Jackson, Lateata; Bubel, Susan
Subject: TIVAS / NFP - Transfer Suggestion for CR 2785: Non-Capping Interest Values

Proposal:

(b)(5)

From: Bubel, Susan
Sent: 24 Jan 2017 21:52:26 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian
Subject: FW: Web seminar scheduled: CR 2785 Phase 2 Walk Through - Part 2
Attachments: CR 2785 Phase 2 Walk Through - Part 2.ics

Not sure if you all get this earlier? I did not

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@pheaa.org]
Sent: Tuesday, January 24, 2017 4:45 PM
To: Bubel, Susan
Subject: Fw: Web seminar scheduled: CR 2785 Phase 2 Walk Through - Part 2

Hi Sue! Resending, as requested.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | o: (b)(6) | m: (b)(6)

----- Forwarded by (b)(4); (b)(6) /PHEAA on 01/24/2017 04:44 PM -----

From: messenger@webex.com
To: fedloanschoolsupport@myfedloan.org
Date: 01/23/2017 01:26 PM
Subject: [external]Web seminar scheduled: CR 2785 Phase 2 Walk Through - Part 2

Hello FedLoan Servicing,

You scheduled this Web seminar.

Topic: CR 2785 Phase 2 Walk Through - Part 2
Date and Time:
Thursday, January 26, 2017 9:00 am, Eastern Standard Time (New York, GMT-05:00)
Event number: (b)(6)
Event password: pheaa
Panelist password: The Event has no Panelist Password
Host key: 160478 (Use this to reclaim host privileges.)
Event address for attendees:
https://fedloanservicing.webex.com/fedloanservicing/onstage/g.php?MTID=e6ce0020647553a116e231830bdbef677
Event address for panelists:
https://fedloanservicing.webex.com/fedloanservicing/onstage/g.php?MTID=e2d49c4a6eea38892a269e76fc1f726ce

Program: FSA
Program address:
https://fedloanservicing.webex.com/fedloanservicing/onstage/g.php?PRID=5d806343b038bc5a9185215d

8bbd5c8c
Program registration password: The program has no registration password

---
To start the online event

At least 30 minutes before the starting time:

1. Go to https://fedloanservicing.webex.com/fedloanservicing/onstage/g.php?d=661791102&t=h
2. If you have not yet done so, log in to your host account.
3. On the Event Information page that appears, click "Start Now".

Audio conference information

Call-in toll number (US/Canada): (b)(6)
Access code: (b)(6)

https://www.webex.com

IMPORTANT NOTICE: This WebEx service includes a feature that allows audio and any documents and other materials exchanged or viewed during the session to be recorded. You should inform all meeting attendees prior to recording if you intend to record the meeting. Please note that any such recordings may be subject to discovery in the event of litigation.

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: Bubel, Susan
Sent: 24 Jan 2017 21:52:22 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian;Jackson, Lateata
Subject: FW: WebEx recording is available for viewing: CR 2785 Phase 2 Walk Through

Not sure if you all received this, I did not.

From: (b)(4); (b)(6) [mailto:(b)(4); @pheaa.org]
Sent: Tuesday, January 24, 2017 4:45 PM
To: Bubel, Susan
Subject: Fw: WebEx recording is available for viewing: CR 2785 Phase 2 Walk Through

Hi Sue! Resending, as requested.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | o: (b)(6) | m: (b)(6)

----- Forwarded by (b)(4); (b)(6) PHEAA on 01/24/2017 04:45 PM -----

From: FedLoan Servicing <messenger@webex.com>
To: fedloanschoolsupport@myfedloan.org
Date: 01/23/2017 01:48 PM
Subject: [external]WebEx recording is available for viewing: CR 2785 Phase 2 Walk Through

---

Hi, FedLoan Servicing,

FedLoan Servicing wants to share this WebEx recording with you.

Message from host: The beginning of this recording reviews the validation artifacts.
The live demo begins at 1:41:40

CR 2785 Phase 2 Walk Through
Monday, January 23, 2017
9:16 am | Eastern Standard Time (New York, GMT-05:00)

PLAY RECORDING (2 hr 36 min)
https://fedloanservicing.webex.com/fedloanservicing/lsr.php?RCID=ea4c37a598ec9cc273e5f579bbc63f11
Recording password: (This recording does not require a password.)

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: Jackson, Lateata
Sent: 26 Feb 2015 06:31:44 -0600
To: Bubel, Susan;Battle, Cynthia;Foss, Ian;Meadows, Kim
Subject: Fwd: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Attachments: mime-attachment, ATT00001.htm

La Teata

Begin forwarded message:

From: (b)(4); (b)(6) @navient.com>
Date: February 26, 2015 at 7:28:17 AM EST
To: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @glhec.org>, "Washington, Patrice" <Patrice.Washington@ed.gov>, (b)(4); (b)(6) @navient.com>
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Lateata,
In addition to the clarification that Tammy provided earlier this week in follow up to the below (attached email), I wanted to provide some additional clarification we would need as this will be a change for us.
I've tried to outline our current process and the future state questions we still have.
Current Process: We notify the customer via a letter that through 6/30 $x amount is outstanding in accrued Neg Am Interest. We advise the borrower that they may choose to pay this interest down by submitting payment by 7/31; otherwise the interest will capitalize effective 6/30. We provide the customer with a billing statement that they may use to submit the Neg Am payments specifically. We use this specific billing statement to distinguish a Neg Am payment from the next monthly payment due. Payments received with the Neg Am billing statement or specific instructions between 6/30 and 7/31 are applied effective 6/30, to reduce the amount of Neg Am accrued interest that will capitalize. Any payments not received by 7/31 or received without the Neg Am statement are applied toward regular outstanding accrued interest and principal.
Future State Questions:

(b)(5)

(b)(5)

Thank you
(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Monday, February 23, 2015 11:24 PM
To: (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) (b)(4); Foss, Ian; 'OSLA CM Email'; (b)(4); (b)(6) (b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) Washington, Patrice; Meadows, Kim; (b)(4); (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia
Cc: (b)(4); (b)(6) (b)(4); (b)(6)

(b)(4); (b)(6)

Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

FSAs response:

Before the Servicer capitalizes interest, the Servicer is required to notify the borrower that unpaid interest will be capitalized and allow the borrower the opportunity to pay that interest balance before the capitalization event.

Thus, requirement [5023.01] intended to allow for appropriate notification (for all billing cycles) by the servicer including a sufficient period which affords the borrower time to pay any outstanding accrued neg am interest. Any servicer systems with hardcoded dates that prevent a borrower (i.e. late billing cycle) an opportunity to pay outstanding neg am interest before the capitalization event must be addressed.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@navient.com]

Sent: Monday, February 23, 2015 2:34 PM

To: Jackson, Lateata; (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email (b)(4); (b)(6) (b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) Washington, Patrice; Meadows, Kim; (b)(4); (b)(6) (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia

Cc: (b)(4); (b)(6)

(b)(4); (b)(6)

Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Importance: High

Afternoon La Teata,

During our review of the updated requirement and job aid document (b)(6)

(b)(6)

(b)(6)

Please let me know if you have any questions. I have attached the example in a detailed Excel spreadsheet as well – Loan Proration tab.

Thank you

(b)(4); (b)(6)

Navient

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]

Sent: Monday, February 23, 2015 12:12 PM

To: (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email ' (b)(4); (b)(6) (b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) Washington, Patrice; Meadows, Kim; (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia

Cc: (b)(4); (b)(6) (b)(4); (b)(6)

Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

From our clarification meeting held on 2/4/2015 FSA revised CR 2785, the Job Aid and the Q&As. We moved the Implementation date out to May 11, 2015 and asked for assessments by 2/25/2015. Attached, is a full workbook of the CR 1495 and CR 2785 requirements, samples, Q&As etc. Additionally, we received some follow-up questions and have answered them under the CR 2785 Q&A tab. Further, a correction to the Job Aid was needed so you will find an updated version of that as well.

We are looking forward to receiving your assessments by 2/25/2015

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

This E-Mail has been scanned for viruses.

This E-Mail has been scanned for viruses.

Sent: 18 Sep 2018 15:50:11 +0000
Subject:

From: Ian.Foss@ed.gov
Sent: 30 Oct 2014 12:09:17 -0400
To: Hough, Jana;Oknich, Mary;Leavitt, Katharine;Meadows, Kim
Subject: Fwd: CR 2785 - Requirements Clarifications for Interest Capitalization Practices
Attachments: Picture (Device Independent Bitmap) 1.jpg, ATT00001.htm, CR2785 Questions.docx, ATT00002.htm

Begin forwarded message:

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
Date: October 27, 2014 at 10:58:44 EDT
To: "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>
Cc: "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Strudgeon, George" <IMCEAEX-_O=USDOED_OU=USDOED_cn=Recipients_cn=George+2EStrudgeon@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Leavitt, Katharine" <Katharine.Leavitt@ed.gov>, "Meadows, Kim" <Kim.Meadows@ed.gov>
Subject: CR 2785 - Requirements Clarifications for Interest Capitalization Practices

Below are the Nelnet scenarios we requested and additional questions from PHEAA. Please tell me if you would like me to set-up a meeting to draft the responses or if you would like to simply respond via email.
Nelnet scenarios as requested by FSA:
PHEAA Scenarios received:
For FSA CR 2785, our business analyst is requesting clarification on the requirements/scenarios listed below. Please let me know if you need additional information.

Requirement 5068.02 states 'When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11)

Requirement 5069.00 states 'The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back to back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.

Scenarios

- Unsubsidized loan
- All deferments and forbearances are capping except where it is called out.
- Each scenario we would cap all non-negam outstanding interest

- PHEAA's recommendation is listed in bold
-

For each scenario, What effective date should PHEAA use to cap all outstanding interest?

Scenario 1
temp hardship forb 7/1/13 - 8/14/13
deferment 8/15/13 - 5/21/14
temp hardship forb 6/1/14 - 8/31/14
non-capping admin forb 9/01/14 - 10/31/14
Interest Cap Effective 9/1/14

Scenario 2
temp hardship forb 7/1/13 - 8/31/13
non-capping admin forb 9/01/13 - 10/31/13
deferment 11/1/13 - 8/15/14
Interest Cap Effective 8/16/14

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Req #	Requirement	Nelnet Questions 9/17/14	Additional Research and Examples
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with an effective date of July 31.	(b)(5)	

		(b)(5)
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	

		(b)(5)
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	

		(b)(5)	
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.		
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.		

5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**		
5066.01	This requirement overrides any other capitalization requirement.		
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.		
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.		
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	(b)(5)	
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**		

		(b)(5)	
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**		
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.		
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).		
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.		

5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.		
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.		
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.		
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**		
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.		

18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**		
General		(b)(5)	

From: Ian.Foss@ed.gov
Sent: 25 Feb 2015 07:52:02 -0500
To: Utz, Jon
Subject: Fwd: Impact of interest capitalization in PAYE
Attachments: Impact of Interest Capitalization in PAYE - TICAS 02-24-15.pdf, ATT00001.htm

FYI

Begin forwarded message:

From: (b)(4); (b)(6) @ticas.org>
Date: February 24, 2015 at 22:25:26 EST
To: (b)(4); (b)(6) @americanprogress.org" <(b)(4); (b)(6) @americanprogress.org>, @csustudents.org" @csustudents.org>, @sbls.org" @sbls.org>, (b)(4); (b)(6) @law.harvard.edu>, (b)(4); (b)(6) @consumer.org" <(b)(4); (b)(6) @consumer.org>, (b)(4); (b)(6) (b)(4); (b)(6) @younginvincibles.org>, (b)(4); (b)(6) @ky.gov" (b)(4); (b)(6) @ky.gov>, @atg.state.il.us" <@atg.state.il.us>, (b)(4); (b)(6) @studentveterans.org" (b)(4); (b)(6) @studentveterans.org>, (b)(4); (b)(6) @studentveterans.org" (b)(4); (b)(6) @studentveterans.org>, @cca.edu" @cca.edu>, (b)(4); (b)(6) @nyit.edu" (b)(4); (b)(6) @nyit.edu>, (b)(4); (b)(6) @csun.edu" (b)(4); (b)(6) @csun.edu>, (b)(4); (b)(6) @glendale.edu" (b)(4); (b)(6) @glendale.edu>, @mohave.edu" (b)(4); (b)(6) @mohave.edu>, @lanecc.edu" @lanecc.edu>, (b)(4); (b)(6) @temple.edu" <(b)(4); (b)(6) @temple.edu>, (b)(4); (b)(6) @berkeley.edu" (b)(4); (b)(6) @berkeley.edu>, @leeuniversity.edu" @leeuniversity.edu>, (b)(4); (b)(6) @davenport.edu" (b)(4); (b)(6) @davenport.edu>, (b)(4); (b)(6) @Laureate.net" (b)(4); (b)(6) @Laureate.net>, @beonair.com" @beonair.com>, @mohela.com" @mohela.com>, (b)(4); (b)(6) @glhec.org" (b)(4); (b)(6) @glhec.org>, (b)(4); (b)(6) @nelnet.net" (b)(4); (b)(6) @nelnet.net>, (b)(4); (b)(6) @pheaa.org" (b)(4); (b)(6) @pheaa.org>, "Siegel, Brian" <Brian.Siegel@ed.gov>, "McLarnon, Gail" <Gail.McLarnon@ed.gov>, @podziba.com" @podziba.com>
Cc: (b)(4); (b)(6) @ticas.org>, (b)(4); (b)(6) (b)(4); (b)(6) @ticas.org>, "Appel, Jeff" <Jeff.Appel@ed.gov>, "Mahaffie, Lynn" <Lynn.Mahaffie@ed.gov>, "Sydor, Katherine" <Katherine.Sydor@ed.gov>, "Mais, Joseph" <Joseph.Mais@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Arnold, Nathan" <Nathan.Arnold@ed.gov>
Subject: Impact of interest capitalization in PAYE

Hi all,

Thanks again for inviting us to speak about our Pay As You Earn (PAYE) recommendations to the negotiated rulemaking committee today. Several negotiators raised questions about how changes to the treatment of interest capitalization would affect borrowers in PAYE, so we thought it would be helpful to share an example. This issue is discussed on pages 6-7 of TICAS' memo with PAYE recommendations.

The attached document walks through the impact of interest capitalization for a borrower with $25,000 in debt, who loses her partial financial hardship (PFH) when she gets a better paying, full-time position in her 10th year of repayment. For this borrower, eliminating interest capitalization from PAYE (as compared to the current 10% cap on interest capitalization) would *reduce* the amount she has discharged after 20 years of payments by $1,700 (-8%), while removing the cap on interest capitalization in PAYE would *increase* the amount discharged by $6,300 (28%).

Let us know if you have any questions about this. I might have missed a few people in the room (sorry!); feel free to forward this email to them or other interested parties.

--Diane

(b)(4); (b)(6)
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the institute for college access & success

THE PROJECT ON STUDENT DEBT

Impact of Interest Capitalization in Pay As You Earn (PAYE)

February 24, 2015

Currently, unpaid accrued interest capitalizes when a borrower enrolled in Pay As You Earn (PAYE) no longer has a partial financial hardship (PFH)[1] and when he or she chooses to exit PAYE to enroll in another repayment plan. Capitalized interest is added to the borrower's outstanding principal balance, meaning that new interest begins accruing on a higher loan balance and the total amount owed will grow faster than it would have without the capitalization.

As detailed in pages 6-7 of TICAS' memo with PAYE recommendations for the current negotiated rulemaking process, ***we recommend eliminating the capitalization of interest while borrowers remain in PAYE.*** Capitalizing interest when borrowers lose their PFH status may increase costs for borrowers whose incomes are low for extended periods of time, as well as inflate the size of any discharged amount at the end of the repayment period.

If interest capitalization is not eliminated for borrowers in PAYE, it is important to retain the existing limit on the amount of accrued interest that can capitalize. Currently, the amount of accrued interest that can capitalize in PAYE is capped at 10% of the borrower's loan balance when he or she entered the plan. For borrowers who experience many years of low income while enrolled in PAYE, this protection helps prevent them from having to pay more, and from having a larger balance forgiven, if their income ever rises to the point that they no longer have a PFH and their accrued interest capitalizes. Additionally, under current statute, discharged amounts in PAYE (and the other income-driven repayment plans) are treated as taxable income, so there may also be significant tax implications for some borrowers if the interest capitalization cap is removed from PAYE.

To illustrate the potential impact of interest capitalization, consider a single borrower with $25,000 in federal loans. She is only able to find part-time work and earns $15,000 in adjusted gross income (AGI) when she enters repayment and enrolls in PAYE. In year 10, she gets a better paying, full-time position and earns $60,000 AGI. Due to this increase in income, she no longer has a PFH, and $2,500 of her unpaid, accrued interest capitalizes.[2]

As shown in the chart and table on the following page:

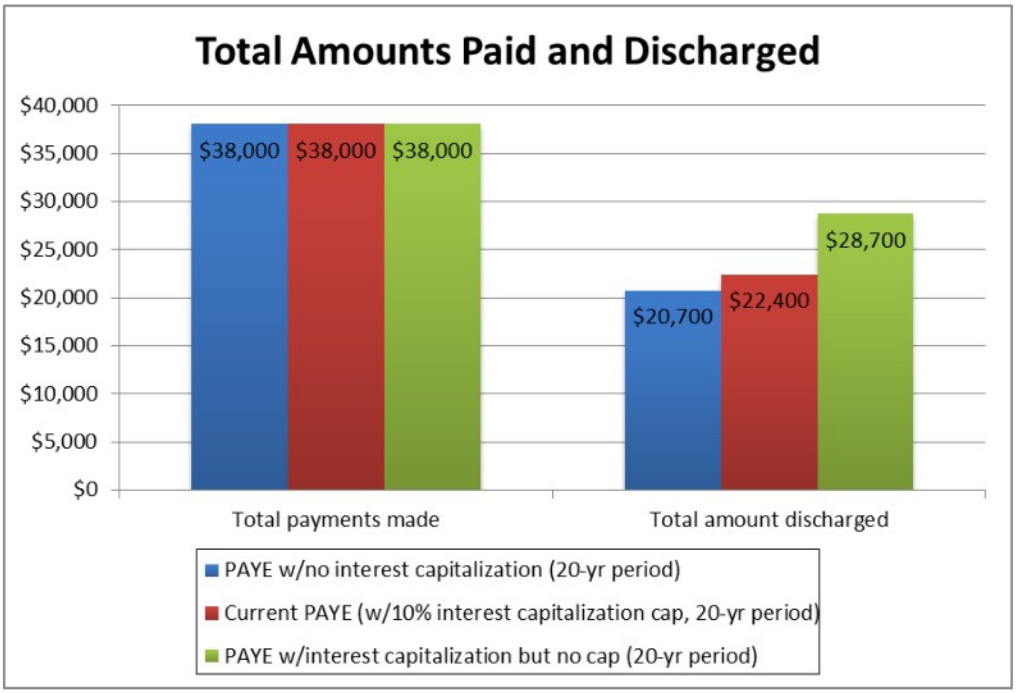
- Eliminating interest capitalization from PAYE (as compared to the current 10% cap on interest capitalization) would reduce the amount discharged by $1,700 (-8%).
- However, removing the cap on interest capitalization in PAYE would *increase* the amount discharged by $6,300 (28%).
- Interest capitalization does not affect the monthly payment amounts or time in repayment for this borrower, so her total amount paid is the same, regardless of whether interest capitalization occurs and whether it is capped or uncapped. In all cases, she pays her entire loan principal plus $13,000 in interest.

---

[1] Borrowers no longer have a PFH when 10% of their discretionary income becomes greater than or equal to the 10-year standard payment amount due to changes in their income and/or family size, and when borrowers do not submit their annual income documentation on time.

[2] The borrower has $15,300 of unpaid, accrued interest at the end of year 9, but the cap on interest capitalization in PAYE limits the amount that can capitalize to $2,500 (10% of her $25,000 loan debt when she entered PAYE).

Single borrower with $25,000 federal debt, $15,000 AGI in year 1 (increasing 4% a year), then $60,000 AGI in year 10 (increasing 4% a year)



	Fixed 10-year plan	PAYE w/no interest capitalization (20-yr period)	Current PAYE (w/10% interest capitalization cap, 20-yr period)	PAYE w/interest capitalization but no cap (20-yr period)
Monthly payment amounts	$290	$0 to $290	$0 to $290	$0 to $290
Total payments made	$34,500	$38,000	$38,000	$38,000
Total payments made, adjusted for inflation	$30,650	$26,900	$26,900	$26,900
Total amount discharged	$0	$20,700	$22,400	$28,700
Total amount discharged, in 2015 dollars	$0	$12,900	$14,000	$17,900
Years in repayment	10.0	20.0	20.0	20.0

Methodology Notes:

- *The borrower is single, does not have anyone else in the household, and lives in one of the 48 contiguous states.*
- *All incomes shown in this appendix are Adjusted Gross Incomes (AGIs).*
- *Unless otherwise noted, the borrower's adjusted gross income (AGI) increases 4% a year.*
- *The average interest rate on the borrower's loans is 6.8%.*
- *Calculations are based on 2015 poverty levels and assume that the poverty level increases annually at the rate of inflation.*
- *Total amounts paid and discharged are illustrated in current dollars and then discounted at a 2.4% annual rate, the projected average annual increase in the Consumer Price Index over the next 20 years.*
- *Monthly payments are rounded to the nearest $10, total payments to the nearest $50.*

From: Jackson, Lateata
Sent: 21 Oct 2015 15:45:31 +0000
To: Bubel, Susan;Battle, Cynthia;Foss, Ian;Chialastri, Taneka;Raling, Patricia
Subject: Fwd: LATEATA Question from PHEAA: FSA CR 2785

Hi, can you all provide me a response to the below set of questions?

La Teata

From: PHEAACRs/AES
To: "Allen, Heather" <Heather.Allen@ed.gov>, "Connelly, Tammy" <Tammy.Connelly@ed.gov>, "Galvez, Michelle" <Michelle.Galvez@ed.gov>, "Gibson, Karen" <Karen.Gibson@ed.gov>, "Jones, Amber K." <Amber.Jones@ed.gov>, "Lamphier, Katharine" <Katharine.Lamphier@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>
Cc: PHEAACRs/AES@pheaa, (b)(4); (b)(6) PHEAA@pheaa, (b)(4); (b)(6) PHEAA@pheaa, (b)(4); (b)(6) @pheaa
Date: 10/09/2015 12:57 PM
Subject: FSA CR 2785
Sent by: (b)(4); (b)(6)

(b)(4); (b)(6)

Good Afternoon! As we work through the requirements and design for FSA CR 2785 - Interest Buckets, we identified the following questions and would like clarification:

(b)(5)

(b)(5)

Please let me know if you have any questions or need additional information.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | (b)(6)

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: Foss, Ian
Sent: 14 Jan 2016 11:32:11 +0000
To: Curran, Frank D.
Cc: Battle, Cynthia;Bubel, Susan;Chialastri, Taneka
Subject: Fwd: Neg Reg - Issue 8 - Rehabilitation Capitalization
Attachments: 06-09-10 TIVAS Position Paper -- Ability to Cap Int after Loan Rehab -- 0610.pdf, ATT00001.htm

Hi Frank,

(b)(5)

Thanks,

Ian

Begin forwarded message:

From: "(b)(4); (b)(6) @navient.com>
Date: January 14, 2016 at 05:53:39 EST
To: "'Foss, Ian'" <Ian.Foss@ed.gov>
Subject: Neg Reg - Issue 8 - Rehabilitation Capitalization

Ian – (b)(5)

(b)(5)

Rehabilitated Loans					
20	Upon a Direct Loan borrower's completion of a loan rehabilitation program, are TIVAS permitted to capitalize interest that accrued during rehabilitation as is done for FFELP loans?	Yes. Position paper created.	06/08/10	FSA reached the same conclusion.	Frank Curran had let her know this was no longer an issue. 06.08.10

Ability to Capitalize Interest after Loan Rehabilitation
TIVAS Policy Group Analysis
June 8, 2010

Issue:

The TIVAS Policy Group was asked to research and provide an analysis on the following issue:

> Upon a Direct Loan borrower's completion of a loan rehabilitation program, are TIVAS permitted to capitalize interest that accrued during rehabilitation as is done for FFELP loans?

Analysis:

1. Capitalization of accrued interest after loan rehabilitation permitted in FFELP

According to rehabilitation program regulations in §682.405(b)(4), the lender purchasing a rehabilitated loan must treat the loan as re-entering repayment by establishing a repayment schedule that meets the same requirements that are applicable to other FFEL Program loans of the same loan type as the rehabilitated loan. In addition, the lender must permit the borrower to choose any statutorily available repayment plan for that loan type for the length of time provided for in §682.209(a) and (h).

Capitalization regulations in §682.202(b)(3) & (4) allow a lender to capitalize interest when a loan enters or resumes repayment. As such, lenders purchasing rehabilitated FFELP loans are permitted to capitalize accrued interest when establishing the repayment schedule.

For regulatory language cited above, see attachment.

2. Private letter guidance allows lenders to capitalize collection costs on a rehabilitated loan

In 1994, the Department of Education issued private letter guidance (see attachment) that contained a reversal of Department policy that initially did not allow lenders to capitalize collection costs on rehabilitated loans. The Department concluded that amendments to the Higher Education Act (HEA) contained no specific prohibition against the capitalization of such costs, and that lenders purchasing rehabilitated loans would be encumbered if collection costs could not be capitalized. The Department also indicated in the guidance that lenders and agencies would not be required to separately track the capitalized

collection costs and that it would be treated as normal loan principal in terms of eligibility for federal reinsurance.

Conclusion:

The TIVAS should be allowed to treat Direct Loan borrowers who have completed a loan rehabilitation program on defaulted loans and who are entering repayment in the same way as they treat FFELP loan borrowers, which is to capitalize accrued interest on the rehabilitated loans when establishing the borrowers' repayment schedules.

NCHELP

ATTACHMENT V

K-5-1

National Council of Higher Education Loan Programs, Inc.

Washington, DC 20003 • (202)547-1571
FAX (202)546-8745

August 12, 1994



Ms. Pamela Moran
Acting Chief, Loans Branch
Division of Policy Development
Policy, Training and Analysis Service
U.S. Department of Education
400 Maryland Avenue, S.W.
Washington, DC 20202

RE: Rehabilitation Loans

Dear Pam:

This letter is to request that ED reconsider its recent statement that a holder of a FFELP loan may not capitalize collection costs on a Rehabilitated Loan. It has also been indicated that because those costs cannot be capitalized, such collection costs are not eligible for reinsurance upon subsequent default by the borrower since these costs are not part of the principal balance. Since, under ED's proposed policy guidance, these costs cannot be capitalized, the fees are not considered part of the principal balance of the loan for which lenders receive interest benefits and special allowance payments. The end-consequence of the pending policy may well be that borrowers are unable to secure Rehabilitation Loans. Rehabilitation Loans are a significant benefit to students and the Department (taxpayer). It would be unfortunate for a statutory interpretation by the Department to result in the inability of borrowers to secure such loans.

It is our understanding that the basis for ED's statement is that: i) there is no statutory or regulatory authority to capitalize collection costs on Rehabilitation Loans: ii) collection costs on rehabilitated loans are not reinsured and cannot be included in an insurance claim, and iii) the difference between a Consolidation and Rehabilitation Loan (for these purposes) is that a Consolidation Loan is a new note and collection costs are incorporated into the principal balance of the note. We believe each of these points can be adequately addressed by ED.

Regarding the lack of statutory or regulatory authority, ED could view the statute in the affirmative -- *there is no prohibition against capitalizing these costs.* There are many provisions for which the HEA is silent and ED has provided a more accommodating interpretation of the law. Since Congress clearly wanted the Rehabilitation Program available to students, coupled with the financial benefits to the Secretary, an interpretation which permits capitalization would be appropriate. Furthermore, there is no discussion in the Conference Report that the Congress

wished to make any portion of such loans ineligible for reinsurance -- in fact, the HEA speaks to such loans being eligible for the "same terms and conditions and privileges as other loans made under this part". Finally, with respect to the different interpretation for Consolidation Loans, it's likely the proposed policy will force more borrowers to Consolidate as Rehabilitation Loans will be unavailable. The forced Consolidation may cause borrowers to give up the more favorable terms of their existing loans.

A more accommodating ED position would be to permit capitalization of such fees. To be certain the borrower is aware of and agrees to the capitalization, the lender or guarantor could be required to secure the borrowers' written agreement to pay such fees prior to rehabilitation. Such written agreement would create a "comparable" structure as is available under the Consolidation Loan Program. Under Consolidation, the new promissory note is the borrower's authorization to capitalize the collection costs.

Coupled with the statutory arguments is the operational concern that lenders and servicers currently do not have separate data fields for tracking collection costs. The requirement to track such costs separately will require unanticipated system changes, as payment processing logic and accounting subsystems will require substantial changes. These operational considerations will alone require at least a temporary termination of the Rehabilitation Program while system enhancements can be made. These changes will have a lower priority as statutory and regulatory changes will assume all immediately available resources.

Thus far in our letter, we have highlighted the impact of this policy proposal on borrowers and lenders. As we have indicated, however the policy proposal has significant financial impact of the Secretary. Under Rehabilitation, the Secretary receives a single payment of 81.5% at the time a Rehabilitation Loan is made. Absent the availability of Rehabilitation, the Secretary receives on average 70-73% collection retention based on a series of monthly payments made by the borrower over an extended period of time. Clearly the Secretary receives the financial advantage under the Rehabilitation Program. These benefits are significant to the overall costs of the FFELP program and as such provide a strong incentive for the Secretary to revisit the proposed policy.

We hope you will reconsider your position. If we can provide further assistance, please call me at (202) 547-1571.

Sincerely,

(b)(6)

(b)(6)

Jean S. Frohlicher
President

cc: W. Hansen, EFC
J. Dean, Clohan & Dean
R. Zier, SLSA
S. Keifer, Sallie Mae
M. Cannon/J. Clayton, CSLR

August 23, 1994

TO: All NCHELP Members

FROM: Jean Frohlicher

SUBJECT: Pam Moran letter

I just received by FAX from Pam Moran the following letter:

Dear Ms. Frohlicher:

Thank you for your August 12 letter in which you asked the Department to reconsider its view that collection costs may not be capitalized when a guaranty agency sells a Federal Family Education Loan (FFEL) that has been successfully rehabilitated under the loan rehabilitation program authorized by §428F of the Higher Education Act of 1965, as amended (HEA).

Upon further examination of this issue, the Department has concluded that there is sufficient justification to revise its policy in this area. Our decision to revise this policy was based on three factors.

1. The HEA contains no specific prohibition against the capitalization of such costs.

2. Lenders purchasing rehabilitated loans would be encumbered if collection costs could not be capitalized.

3. The viability of the loan rehabilitation program would be jeopardized if lenders declined to participate because of operational problems resulting from non-capitalization.

A borrower who wants to have his or her rehabilitated loan purchased by a lender that chooses to capitalize collection costs (which may not exceed 18.5 percent of the principal and interest) must provide written authorization for the capitalization of such costs to the guaranty agency prior to the purchase date. The borrower should be notified of the amount of the costs to be capitalized, and the consequences of the borrower's agreement or refusal to authorize capitalization. These costs must not be described to the borrower as a loan rehabilitation "fee." The borrower should understand that they represent the costs of collection expended by the agency because of the borrower's default, and are not simply an arbitrary "fee." [Note: Because the capitalization of collection costs in the case of a defaulted loan included in a Federal Consolidation Loan would have a similar effect on the total amount owed by a borrower, the notification and authorization required above will also apply to Consolidation Loans.]

Collection costs that are capitalized under the above procedures will be treated as normal FFEL loan principal, i.e., eligible for full federal reinsurance. In addition, lenders and agencies will not be required to separately track the capitalized collection costs. You may use this letter to inform your membership of this policy, which will be effective immediately.

Thank you for the insights provided in your letter, which greatly assisted us in reaching this decision. I trust this response satisfactorily addresses your concerns. Please contact me if I can be of further assistance.

Sincerely,
/s/
Pamela A. Moran
Acting Chief, Loans Branch
Policy Development Division
Policy, Training, and Analysis Service

SEC. 428F. [20 U.S.C. 1078–6] DEFAULT REDUCTION PROGRAM.

(a) OTHER REPAYMENT INCENTIVES.—

(1) SALE OR ASSIGNMENT OF LOAN.—

(A) IN GENERAL.—Each guaranty agency, upon securing 9 payment made within 20 days of the due date during 10 consecutive months of amounts owed on a loan for which the Secretary has made a payment under paragraph (1) of section 428(c), shall—

(i) if practicable, sell the loan to an eligible lender; or

(ii) on or before September 30, 2011, assign the loan to the Secretary if—

(I) the Secretary has determined that market conditions unduly limit a guaranty agency's ability to sell loans under clause (i); and

(II) the guaranty agency has been unable to sell loans under clause (i).

(B) MONTHLY PAYMENTS.— Neither the guaranty agency nor the Secretary shall demand from a borrower as monthly payment amounts describe in subparagraph (A) more than is reasonable and affordable based on the borrower's total financial circumstances.

(C) CONSUMER REPORTING AGENCIES.—Upon the sale or assignment of the loan, the Secretary, guaranty agency or other holder of the loan shall request any consumer reporting agency to which the Secretary, guaranty agency or holder, as applicable, reported the default of the loan, to remove the record of default from the borrower's credit history.

(D) DUTIES UPON SALE.—With respect to a loan sold under subparagraph (A)(i)—

(i) the guaranty agency—

(I) shall repay the Secretary 81.5 percent of the amount of the principal balance outstanding at the time of such sale, multiplied by the reinsurance percentage in effect when payment under the guaranty agreement was made with respect to the loan; and

(II) may, in order to defray collection costs—

(aa) charge to the borrower an amount not to exceed 18.5 percent of the outstanding principal and interest at the time of the loan sale; and

(bb) retain such amount from the proceeds of the loan sale; and

(ii) the Secretary shall reinstate the Secretary's obligation to—

(I) reimburse the guaranty agency for the amount that the agency may, in the future, expend to discharge the guaranty agency's insurance obligation; and

(II) pay to the holder of such loan a special allowance pursuant to section 438.

(E) DUTIES UPON ASSIGNMENT.—With respect to a loan assigned under subparagraph (A)(ii)—

(i) the guaranty agency shall add to the principal and interest outstanding at the time of the assignment of such loan an amount equal to the amount described in subparagraph (D)(i)(II)(aa); and

(ii) the Secretary shall pay the guaranty agency, for deposit in the agency's Operating Fund established pursuant to section 422B, an amount equal to the amount added to the principal and interest outstanding at the time of the assignment in accordance with clause (i).

(F) ELIGIBLE LENDER LIMITATION.—A loan shall not be sold to an eligible lender under subparagraph (A)(i) if such lender has been found by the guaranty agency or the Secretary to have substantially failed to exercise the due diligence required of lenders under this part.

(G) DEFAULT DUE TO ERROR.—A loan that does not meet the requirements of subparagraph (A) may also be eligible for sale or assignment under this paragraph upon a determination that the loan was in default due to clerical or data processing error and would not, in the absence of such error, be in a delinquent status.

(2) USE OF PROCEEDS OF SALES.—Amounts received by the Secretary pursuant to the sale of such loans by a guaranty agency under paragraph (1)(A)(i) shall be deducted from the calculations of the amount of reimbursement for which the agency is eligible under paragraph (1)(D)(ii)(I) for the fiscal year in which the amount was received, notwithstanding the fact that the default occurred in a prior fiscal year.

(3) BORROWER ELIGIBILITY.—Any borrower whose loan is sold or assigned under paragraph (1)(A) shall not be precluded by section 484 from receiving additional loans or grants under this title (for which he or she is otherwise eligible) on the basis of defaulting on the loan prior to such loan sale or assignment.

(4) APPLICABILITY OF GENERAL LOAN CONDITIONS.—A loan that is sold or assigned under paragraph (1) shall, so long as the borrower continues to make scheduled repayments thereon, be subject to the same terms and conditions and qualify for the same benefits and privileges as other loans made under this part.

(5) LIMITATION.—A borrower may obtain the benefits available under this subsection with respect to rehabilitating a (whether by loan sale or assignment) loan only one time per loan.

(b) SATISFACTORY REPAYMENT ARRANGEMENTS TO RENEW ELIGIBILITY. —Each guaranty agency shall establish a program which allows a borrower with a defaulted loan or loans to renew eligibility for all title IV

student financial assistance (regardless of whether the defaulted loan has been sold to an eligible lender or assigned to the Secretary) upon the borrower's payment of 6 consecutive monthly payments. The guaranty agency shall not demand from a borrower as a monthly payment amount under this subsection more than is reasonable and affordable based upon the borrower's total financial circumstances. A borrower may only obtain the benefit of this subsection with respect to renewed eligibility once.

(c) FINANCIAL AND ECONOMIC LITERACY.—Each program described in subsection (b) shall include making available financial and economic education materials for a borrower who has rehabilitated a loan.

(B) The holder shall, not later than 30 days prior to the conversion, provide the borrower with—

(1) A notice informing the borrower that the loan is being converted to a variable interest rate;

(2) A description of the rate to the borrower;

(3) The current interest rate; and

(4) An explanation that the variable rate will provide a substantially equivalent benefit as the adjustment otherwise provided under paragraph (a)(6) of this section.

(v) The notice may be provided as part of the disclosure requirement as specified under Sec. 682.205.

(vi) The interest rate as calculated under this paragraph may not exceed the maximum interest rate applicable to the loan prior to the conversion.

(8) *Applicability of the Servicemembers Civil Relief Act (50 U.S.C. 527, App. sec. 207).* Notwithstanding paragraphs (a)(1) through (a)(4) of this section, effective August 14, 2008, upon the loan holder's receipt of the borrower's written request and a copy of the borrower's military orders, the maximum interest rate, as defined in 50 U.S.C. 527, App. section 207(d), on FFEL Program loans made prior to the borrower entering active duty status is 6 percent while the borrower is on active duty military service.

(b) *Capitalization.* **(1)** A lender may add accrued interest and unpaid insurance premiums to the borrower's unpaid principal balance in accordance with this section. This increase in the principal balance of a loan is called "capitalization."

(2) Except as provided in paragraph (b)(4) and (b)(5) of this section, a lender may capitalize interest payable by the borrower that has accrued—

(i) For the period from the date the first disbursement was made to the beginning date of the in-school period or, for a PLUS loan, for the period from the date the first disbursement was made to the date the repayment period begins;

(ii) For the in-school or grace periods, or for a period needed to align repayment of an SLS with a Stafford loan, if capitalization is expressly authorized by the promissory note (or with the written consent of the borrower);

(iii) For a period of authorized deferment;

(iv) For a period of authorized forbearance; or

(v) For the period from the date the first installment payment was due until it was made.

(3) A lender may capitalize accrued interest under paragraphs (b)(2)(ii) through (iv) of this section no more frequently than quarterly. Capitalization is again permitted when repayment is required to begin or resume. A lender may capitalize accrued interest under paragraph (b)(2) (i) and (v) of this section only on the date repayment of principal is scheduled to begin.

(4)(i) For unsubsidized Stafford loans disbursed on or after October 7, 1998 and prior to July 1, 2000, the lender may capitalize the unpaid interest that accrues on the loan according to the requirements of section 428H(e)(2) of the Act.

(ii) For Stafford loans first disbursed on or after July 1, 2000, the lender may capitalize the unpaid interest—

(A) When the loan enters repayment;

(B) At the expiration of a period of authorized deferment;

(C) At the expiration of a period of authorized forbearance; and

(D) When the borrower defaults.

(5) For Consolidation loans, the lender may capitalize interest as provided in paragraphs (b)(2) and (b)(3) of this section, except that the lender may capitalize the unpaid interest for a period of authorized in-school deferment only at the expiration of the deferment.

(6) For any borrower in an in-school or grace period or the period needed to align repayment, deferment, or forbearance status, during which the Secretary does not pay interest benefits and for which the borrower has agreed to make payments of interest, the lender may capitalize past due interest provided that the lender has notified the borrower that the borrower's failure to resolve any delinquency constitutes the borrower's consent to capitalization of delinquent interest and all interest that will accrue through the remainder of that period.

(c) *Fees for FFEL Program loans.*

(1)(i) For Stafford loans first disbursed prior to July 1, 2006, a lender may charge a borrower an origination fee not to exceed 3 percent of the principal amount of the loan.

(ii) For Stafford loans first disbursed on or after July 1, 2006, but before July 1, 2007, a lender may charge a borrower an origination fee not to exceed 2 percent of the principal amount of the loan.

(iii) For Stafford loans first disbursed on or after July 1, 2007, but before July 1, 2008, a lender may charge a borrower an origination fee not to exceed 1.5 percent of the principal amount of the loan.

(iv) For Stafford loans first disbursed on or after July 1, 2008, but before July 1, 2009, a lender may charge a borrower an origination fee not to exceed 1 percent of the principal amount of the loan.

(v) For Stafford loans first disbursed on or after July 1, 2009, but before July 1, 2010, a lender may charge a borrower an origination fee not to exceed .5 percent of the principal amount of the loan.

(vi) For Stafford loans first disbursed on or after July 1, 2010, a lender may not charge a borrower an origination fee.

(vii) Except as provided in paragraph (c)(2) of this section, a lender must charge all borrowers the same origination fee.

(2)(i) A lender may charge a lower origination fee than the amount specified in paragraph (c)(1) of this section to a borrower whose expected family contribution (EFC), used to determine eligibility for the loan, is equal to or less than the maximum qualifying EFC for a Federal Pell Grant at the time the loan is certified or to a borrower who qualifies for a subsidized Stafford loan. A lender must charge all such borrowers the same origination fee.

(ii) With the approval of the Secretary, a lender may use a standard comparable to that defined in paragraph (c)(2)(i) of this section.

(3) If a lender charges a lower origination fee on unsubsidized loans under paragraph (c)(1) or (c)(2) of this section, the lender must charge the same fee on subsidized loans.

(4)(i) For purposes of this paragraph (c), a lender is defined as:

(A) All entities under common ownership, including ownership by a common holding company, that make loans to borrowers in a particular state; and

(B) Any beneficial owner of loans that provides funds to an eligible lender trustee to make loans on the beneficial owner's behalf in a particular state.

(ii) If a lender as defined in paragraph(c)(4)(i) charges a lower origination fee to any borrower in a particular state under paragraphs (c)(1) or (c)(2) of this section, the lender must charge all such borrowers who reside in that state or attend school in that state the same origination fee.

(5) Shall charge a borrower an origination fee on a PLUS loan of 3 percent of the principal amount of the loan;

(6) Shall deduct a pro rata portion of the fee (if charged) from each disbursement; and

held prior to that June 1 plus 3.1 percentage points, but does not exceed 8.25 percent.

(iii) *Loans first disbursed on or after July 1, 1998 and before July 1, 2006.* **(A)** *During the in-school, grace, and deferment periods.* The interest rate during any twelve-month period beginning on July 1 and ending on June 30 is determined on the June 1 immediately preceding that period. The interest rate is equal to the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to that June 1 plus 1.7 percentage points, but does not exceed 8.25 percent.

(B) *During all other periods.* The interest rate during any twelve- month period beginning on July 1 and ending on June 30 is determined on the June 1 immediately preceding that period. The interest rate is equal to the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to that June 1 plus 2.3 percentage points, but does not exceed 8.25 percent.

(iv) *Loans first disbursed on or after July 1, 2006.* The interest rate is 6.8 percent.

(v) For a subsidized Stafford loan made to an undergraduate student for which the first disbursement is made on or after:

(A) July 1, 2006 and before July 1, 2008, the interest rate is 6.8 percent on the unpaid principal balance of the loan.

(B) July 1, 2008 and before July 1, 2009, the interest rate is 6 percent on the unpaid principal balance of the loan.

(C) July 1, 2009 and before July 1, 2010, the interest rate is 5.6 percent on the unpaid principal balance of the loan.

(D) July 1, 2010 and before July 1, 2011, the interest rate is 4.5 percent on the unpaid principal balance of the loan.

(E) July 1, 2011 and before July 2012, the interest rate is 3.4 percent on the unpaid balance of the loan.

(2) *Interest rate for Direct PLUS Loans.* **(i)** *Loans first disbursed before July 1, 1998.* **(A)** *Interest rates for periods ending before July 1, 2001.* During all periods, the interest rate during any twelve-month period beginning on July 1 and ending on June 30 is determined on the June 1 preceding that period. The interest rate is equal to the bond equivalent rate of 52-week Treasury bills auctioned at the final auction held prior to that June 1 plus 3.1 percentage points, but does not exceed 9 percent.

(B) *Interest rates for periods beginning on or after July 1, 2001.* During all periods, the interest rate during any twelve-month period beginning on July 1 and ending on June 30 is determined on the June 26 preceding that period. The interest rate is equal to the weekly average 1-year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System, for the last calendar week ending on or before that June 26 plus 3.1 percentage points, but does not exceed 9 percent.

(ii) *Loans first disbursed on or after July 1, 1998 and before July 1, 2006.* During all periods, the interest rate during any twelve-month period beginning on July 1 and ending on June 30 is determined on the June 1 preceding that period. The interest rate is equal to the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to that June 1 plus 3.1 percentage points, but does not exceed 9 percent.

(iii) *Loans first disbursed on or after July 1, 2006.* The interest rate is 7.9 percent.

(3) *Interest rate of Direct Consolidation Loans—***(i)** *Interest rate for Direct Subsidized Consolidation Loans and Direct Unsubsidized Consolidation Loans.* **(A)** Loans first disbursed before July 1, 1995. The interest rate is the rate established for Direct Subsidized Loans and Direct Unsubsidized Loans in paragraph (a)(1)(i) of this section.

(B) *Loans first disbursed on or after July 1, 1995 and before July 1, 1998.* The interest rate is the rate established for Direct Subsidized Loans and Direct Unsubsidized Loans in paragraph (a)(1)(ii) of this section.

(C) *Loans for which the first disbursement is made on or after July 1, 1998 and prior to October 1, 1998, and loans for which the disbursement is made on or after October 1, 1998 for which the consolidation application was received by the Secretary before October 1, 1998.* The interest rate is the rate established for Direct Subsidized Loans and Direct Unsubsidized Loans in paragraph (a)(1)(iii) of this section.

(D) *Loans for which the consolidation application is received by the Secretary on or after October 1, 1998 and before February 1, 1999.* During all periods, the interest rate during any twelve-month period beginning on July 1 and ending on June 30 is determined on the June 1 immediately preceding that period. The interest rate is equal to the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to that June 1 plus 2.3 percentage points, but does not exceed 8.25 percent.

(E) *Loans for which the consolidation application is received by the Secretary on or after February 1, 1999.* During all periods, the interest rate is based on the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher one-eighth of one percent, but does not exceed 8.25 percent.

(ii) *Interest rate for Direct PLUS Consolidation Loans.* **(A)** *Loans first disbursed before July 1, 1998.* The interest rate is the rate established for Direct PLUS Loans in paragraph (a)(2)(i) of this section.

(B) *Loans for which the first disbursement is made on or after July 1, 1998 and prior to October 1, 1998, and loans for which the disbursement is made on or after October 1, 1998 for which the consolidation application was received by the Secretary before October 1, 1998.* The interest rate is the rate established for Direct PLUS Loans in paragraph (a)(2)(ii) of this section.

(C) *Loans for which the consolidation application is received by the Secretary on or after October 1, 1998 and before February 1, 1999.* During all periods, the interest rate during any twelve-month period beginning on July 1 and ending on June 30 is determined on the June 1 immediately preceding that period. The interest rate is equal to the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to that June 1 plus 2.3 percentage points, but does not exceed 8.25 percent.

(D) *Loans for which the consolidation application is received by the Secretary on or after February 1, 1999.* During all periods, the interest rate is based on the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher one-eighth of one percent, but does not exceed 8.25 percent.

(4) *Applicability of the Servicemembers Civil Relief Act (50 U.S.C. 527, App. sec.207).* Notwithstanding paragraphs (a)(1) through (3) of this section, effective August 14, 2008, upon the Secretary's receipt of a borrower's written request and a copy of the borrower's military orders, the maximum interest rate, as defined in 50 U.S.C. 527, App. section 207(d), on Direct Loan Program loans made prior to the borrower entering active duty status is 6 percent while the borrower is on active duty military service.

(b) *Capitalization.* **(1)** The Secretary may add unpaid accrued interest to the borrower's unpaid principal balance. This increase in the principal balance of a loan is called "capitalization."

(2) For a Direct Unsubsidized Loan or a Direct Unsubsidized Consolidation Loan that qualifies for a grace period under the regulations that were in effect for consolidation applications received before July 1, 2006, or for a Direct PLUS Loan, the Secretary may capitalizes the unpaid interest that accrues on the loan when the borrower enters repayment.

(3) Notwithstanding § 685.208(l)(5) and § 685.209(d)(3), for a Direct Loan not eligible for interest subsidies during periods of deferment, and for all Direct Loans during periods of forbearance, the Secretary capitalizes the unpaid interest that has accrued on the loan upon the expiration of the deferment or forbearance.

(4) Except as provided in paragraph (b)(3) of this section and in § 685.208(l)(5), and § 685.209(d)(3), the Secretary annually capitalizes unpaid interest when the borrower is paying under the alternative or income contingent repayment plans and the borrower's scheduled payments do not cover the interest that has accrued on the loan.

(2) To provide a single repayment schedule, as authorized and if practicable, for all FFEL program loans to the borrower held by the lender.

(e)(1) If the assignment or transfer of ownership interest of a Stafford, PLUS, SLS, or Consolidation loan is to result in a change in the identity of the party to whom the borrower must send subsequent payments, the assignor and assignee of the loan shall, no later than 45 days from the date the assignee acquires a legally enforceable right to receive payment from the borrower on the assigned loan, provide, either jointly or separately, a notice to the borrower of—

(i) The assignment;

(ii) The identity of the assignee;

(iii) The name and address of the party to whom subsequent payments or communications must be sent; ~~and~~

(iv) The telephone numbers of both the assignor and the assignee~~.~~;

(v) The effective date of the assignment or transfer of the loan;

(vi) The date, if applicable, on which the current loan servicer will stop accepting payments; and

(vii) The date on which the new loan servicer will begin accepting payments.

(2) If the assignor and assignee separately provide the notice required by paragraph (e)(1) of this section, each notice must indicate that a corresponding notice will be sent by the other party to the assignment.

(3) For purposes of this paragraph, the term "assigned" is defined in Sec. 682.401(b)(17)(ii).

(4) The assignee, or the assignor on behalf of the assignee, shall notify the guaranty agency that guaranteed the loan within 45 days of the date the assignee acquires a legally enforceable right to receive payment from the borrower on the loan of—

(i) The assignment; and

(ii) The name and address of the assignee, and the telephone number of the assignee that can be used to obtain information about the repayment of the loan.

(5) The requirements of this paragraph (e), as to borrower notification, apply if the borrower is in a grace period or has entered the repayment period.

(f)(1) Notwithstanding an error by the school or lender, a lender shall follow the procedures in Sec. 682.412 whenever it receives information that can be substantiated that the borrower, or the student on whose behalf a parent has borrowed, has been convicted of, or has pled nolo contendere or guilty to, a crime involving fraud in obtaining title IV, HEA program assistance, provided false or erroneous information or took actions that caused the student or borrower—

(i) To be ineligible for all or a portion of a loan made under this part;

(ii) To receive a Stafford loan subject to payment of Federal interest benefits as provided under Sec. 682.301, for which he or she was ineligible; or

(iii) To receive loan proceeds that were not paid to the school or repaid to the lender by or on behalf of a registered student who—

(A) The school notifies the lender under 34 CFR 668.21(a)(2)(ii) has withdrawn or been expelled prior to the first day of classes for the period of enrollment for which the loan was intended; or

(B) Failed to attend school during that period.

(2) For purposes of this section, the term "guaranty agency" in Sec. 682.412(e) refers to the Secretary in the case of a Federal GSL loan.

(g) If, during a period when the borrower is not delinquent, a lender receives information indicating it does not know the borrower's address, it may commence the skip-tracing activities specified in Sec. 682.411(g).

(h) *Notifying the borrower about a servicing change.* If an FFEL Program loan has not been assigned, but there is a change in the identity of the party to whom the borrower must send subsequent payments or direct any communications concerning the loan, the holder of the loan shall, no later than 45 days after the date of the change, provide notice to the borrower of the name, telephone number, and address of the party to whom subsequent payments or communications must be sent. The requirements of this paragraph apply if the borrower is in a grace period or has entered the repayment period.

(i) A lender shall report enrollment and loan status information, or any Title IV loan-related data required by the Secretary, to the guaranty agency or to the Secretary, as applicable, by the deadline date established by the Secretary.

(Approved by the Office of Management and Budget under control number 1845-0020)

(Authority: 20 U.S.C. 1077, 1078, 1078-1, 1078-2, 1078-3, 1079, 1080, 1082, 1085)

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§682.209 Repayment of a loan.

(a) *Conversion of a loan to repayment status.* **(1)** For a Consolidation loan, the repayment period begins on the date the loan is disbursed. The first payment is due within 60 days after the date the loan is disbursed.

(2)(i) For a PLUS loan, the repayment period begins on the date of the last disbursement made on the loan. Interest accrues and is due and payable from the date of the first disbursement of the loan. The first payment is due within 60 days after the date the loan is fully disbursed.

(ii) For an SLS loan, the repayment period begins on the date the loan is disbursed, or, if the loan is disbursed in multiple installments, on the date of the last disbursement of the loan. Interest accrues and is due and payable from the date of the first disbursement of the loan. Except as provided in paragraph (a)(2)(iii), (a)(2)(iv), and (a)(2)(v) of this section the first payment is due within 60 days after the date the loan is fully disbursed.

(iii) For an SLS borrower who has not yet entered repayment on a Stafford loan, the borrower may postpone payment, consistent with the grace period on the borrower's Stafford loan.

(iv) If the lender first learns after the fact that an SLS borrower has entered the repayment period, the repayment begins no later than 75 days after the date the lender learns that the borrower has entered the repayment period.

(v) The lender may establish a first payment due date that is no more than an additional 30 days beyond the period specified in paragraphs (a)(2)~~(ii)~~(i)—(a)(2)(iv) of this section in order for the lender to comply with the required deadline contained in Sec. 682.205(c)(1).

(3)(i) Except as provided in paragraph (a)(4) of this section, for a Stafford loan the repayment period begins—

(A) For a borrower with a loan for which the applicable interest rate is 7 percent per year, not less than 9 nor more than 12 months following the date on which the borrower is no longer enrolled on at least a half-time basis at an eligible school. The length of this grace period is determined by the lender for loans made under the FISL Program, and by the guaranty agency for loans guaranteed by the agency;

(B) For a borrower with a loan for which the initial applicable interest rate is 8 or 9 percent per year, the day after 6 months following the date on which the borrower is no longer enrolled on at least a half-time basis at an institution of higher education; and

(C) For a borrower with a loan with a variable interest rate, the day after 6 months following the date on which the borrower is no longer enrolled on at least a half-time basis at an institution of higher education.

(ii) The first payment on a Stafford loan is due on a date established by the lender that is no more than—

(A) 60 days following the first day that the repayment period begins;

(B) 60 days from the expiration of a deferment or forbearance period;

(C) 60 days following the end of the post deferment grace period;

(D) If the lender first learns after the fact that the borrower has entered the repayment period, no later than 75 days after the date the lender learns that the borrower has entered the repayment period; or

(E) An additional 30 days beyond the periods specified in paragraphs (a)(3)(ii)(A)-(a)(3)(ii)(D) of this section in order for the lender to comply with the required deadlines contained in Sec. 682.205(c)(1).

(iii) When determining the date that the student was no longer enrolled on at least a half-time basis, the lender must use a new date it receives from a school, unless the lender has already disclosed repayment terms to the borrower and the new date is within the same month and year as the most recent date reported to the lender.

(4) For a borrower of a Stafford loan who is a correspondence student, the grace period specified in paragraph (a)(3)(i) of this section begins on the earliest of—

(i) The day after the borrower completes the program;

(ii) The day after withdrawal as determined pursuant to 34 CFR 668.22; or

(iii) 60 days following the last day for completing the program as established by the school.

(5) For purposes of establishing the beginning of the repayment period for Stafford and SLS loans, the grace periods referenced in paragraphs (a)(2)(iii) and (a)(3)(i) of this section exclude any period during which a borrower who is a member of a reserve component of the Armed Forces named in section 10101 of title 10, United States Code is called or ordered to active duty for a period of more than 30 days. Any single excluded period may not exceed three years and includes the time necessary for the borrower to resume enrollment at the next available regular enrollment period. Any Stafford or SLS borrower who is in a grace period when called or ordered to active duty as specified in this paragraph is entitled to a full grace period upon completion of the excluded period.

(6)(i) The repayment schedule may provide for substantially equal installment payments or for installment payments that increase or decrease in amount during the repayment period. If the loan has a variable interest rate that changes annually, the lender may establish a repayment schedule that—

(A) Provides for adjustments of the amount of the installment payment to reflect annual changes in the variable interest rate; or

(B) Contains no provision for an adjustment of the amount of the installment payment to reflect annual changes in the variable interest rate, but requires the lender to grant a forbearance to the borrower (or endorser, if applicable) for a period of up to 3 years of payments in accordance with Sec. 682.211(i)(5) in cases where the effect of a variable interest rate on a standard or graduated repayment schedule would result in a loan not being repaid within the maximum repayment term.

(ii) If a graduated or income-sensitive repayment schedule is established, it may not provide for any single installment that is more than three times greater than any other installment. An agreement as specified in paragraph (c)(1)(ii) of this section is not required if the schedule provides for less than the minimum annual payment amount specified in paragraph (c)(1)(i) of this section.

(iii) Not more than six months prior to the date that the borrower's first payment is due, the lender must offer the borrower a choice of a standard, income-sensitive, income-based, graduated, or, if applicable, an extended repayment schedule.

(iv) Except in the case of an income-based repayment schedule, the repayment schedule must require that each payment equal at least the interest that accrues during the interval between scheduled payments.

(v) The lender shall require the borrower to repay the loan under a standard repayment schedule described in paragraph (a)(6)(vi) of this section if the borrower—

(A) Does not select an income-sensitive, income-based, graduated, or, if applicable, an extended repayment schedule within 45 days after being notified by the lender to choose a repayment schedule;

(B) Chooses an income-sensitive repayment schedule, but does not provide the documentation requested by the lender under paragraph (a)(6)(viii)(C) of this section within the time period specified by the lender; or

(C) Chooses an income-based repayment schedule, but does not provide the income documentation requested by the lender under §682.215(e)(1)(i) within the time period specified by the lender.

(vi) Under a standard repayment schedule, the borrower is scheduled to pay either—

(A) The same amount for each installment payment made during the repayment period, except that the borrower's final payment may be slightly more or less than the other payments; or

(B) An installment amount that will be adjusted to reflect annual changes in the loan's variable interest rate.

(vii) Under a graduated repayment schedule—

(A)*(1)* The amount of the borrower's installment payment is scheduled to change (usually by increasing) during the course of the repayment period; or

(2) If the loan has a variable interest rate that changes annually, the lender may establish a repayment schedule that may have adjustments in the payment amount as provided under paragraph (a)(6)(i) of this section; and

(B) An agreement as specified in paragraph (c)(1)(ii) of this section is not required if the schedule provides for less than the minimum annual payment amount specified in paragraph (c)(1)(i) of this section.

(viii) Under an income-sensitive repayment schedule—

(A)*(1)* The amount of the borrower's installment payment is adjusted annually, based on the borrower's expected total monthly gross income received by the borrower from employment and from other sources during the course of the repayment period; or

(2) If the loan has a variable interest rate that changes annually, the lender may establish a repayment schedule that may have adjustments in the payment amount as provided under paragraph (a)(6)(i) of this section; and

(B) In general, the lender shall request the borrower to inform the lender of his or her income no earlier than 90 days prior to the due date of the borrower's initial installment payment and subsequent annual payment adjustment under an income-sensitive repayment schedule. The income information must be sufficient for the lender to make a reasonable determination of what the borrower's payment amount should be. If the lender receives late notification that the borrower has dropped below half-time enrollment status at a school, the lender may request that income information earlier than 90 days prior to

the due date of the borrower's initial installment payment;

(C) If the borrower reports income to the lender that the lender considers to be insufficient for establishing monthly installment payments that would repay the loan within the applicable maximum repayment period, the lender shall require the borrower to submit evidence showing the amount of the most recent total monthly gross income received by the borrower from employment and from other sources including, if applicable, pay statements from employers and documentation of any income received by the borrower from other parties;

(D) The lender shall grant a forbearance to the borrower (or endorser, if applicable) for a period of up to 5 years of payments in accordance with Sec. 682.211(i)(5) in cases where the effect of decreased installment amounts paid under an income-sensitive repayment schedule would result in a loan not being repaid within the maximum repayment term; and

(E) The lender shall inform the borrower that the loan must be repaid within the time limits specified under paragraph (a)(7) of this section.

(ix) Under an extended repayment schedule, a new borrower whose total outstanding principal and interest in FFEL loans exceed $30,000 may repay the loan on a fixed annual repayment amount or a graduated repayment amount for a period that may not exceed 25 years. For purposes of this section, a "new borrower" is an individual who has no outstanding principal or interest balance on an FFEL Program loan as of October 7, 1998, or on the date he or she obtains an FFEL Program loan after October 7, 1998.

(x) Under an income-based repayment schedule, the borrower repays the loan in accordance with §682.215.

(xi) A borrower may request a change in the repayment schedule on a loan. The lender must permit the borrower to change the repayment schedule no less frequently than annually, or at any time in the case of a borrower in an income-based repayment plan.

(xii) For purposes of this section, a lender shall, to the extent practicable require that all FFEL loans owed by a borrower to the lender be combined into one account and repaid under one repayment schedule. In that event, the word "loan" in this section shall mean all of the borrower's loans that were combined by the lender into that account.

(7)(i) Subject to paragraphs (a)(7)(ii) through (iv) of this section, and except as provided in paragraph (a)(6)(ix) a lender shall allow a borrower at least 5 years, but not more than 10 years, or 25 years under an extended repayment plan to repay a Stafford, SLS, or PLUS loan, calculated from the beginning of the repayment period. Except in the case of a FISL loan for a period of enrollment beginning on or after July 1, 1986, the lender shall require a borrower to fully repay a FISL loan within 15 years after it is made.

(ii) If the borrower receives an authorized deferment or is granted forbearance, as described in Sec. 682.210 or Sec. 682.211 respectively, the periods of deferment or forbearance are excluded from determinations of the 5-, 10-, and 15- and 25-year periods, and from the 10-, 12-, 15-, 20-, 25-, and 30-year periods for repayment of a Consolidation loan pursuant to Sec. 682.209(h).

(iii) If the minimum annual repayment required in paragraph (c) of this section would result in complete repayment of the loan in less than 5 years, the borrower is not entitled to the full 5-year period.

(iv) The borrower may, prior to the beginning of the repayment period, request and be granted by the lender a repayment period of less than 5 years. Subject to paragraph (a)(7)(iii) of this section, a borrower who makes such a request may notify the lender at any time to extend the repayment period to a minimum of 5 years.

(8) If, with respect to the aggregate of all loans held by a lender, the total payment made by a borrower for a monthly or similar payment period would not otherwise be a multiple of five dollars, except in the case of payments made under an income-based repayment plan., the lender may round that periodic payment to the next highest whole dollar amount that is a multiple of five dollars.

Editor's Note: The period at the end of the text above needs to be removed.

(b) *Payment application and prepayment.* **(1)** Except in the case of payments made under an income-based repayment plan, the lender may credit the entire payment amount first to any late charges accrued or collection costs and then to any outstanding interest and then to outstanding principal.

(2)(i) The borrower may prepay the whole or any part of a loan at any time without penalty.

(ii) If the prepayment amount equals or exceeds the monthly payment amount under the repayment schedule established for the loan, the lender shall apply the prepayment to future installments by advancing the next payment due date, unless the borrower requests otherwise. The lender must either inform the borrower in advance using a prominent statement in the borrower's coupon book or billing statement that any additional full payment amounts submitted without instructions to the lender as to their handling will be applied to future scheduled payments with the borrower's next scheduled payment due date advanced consistent with the number of additional payments received, or provide a notification to the borrower after the payments are received informing the borrower that the payments have been so applied and the date of the borrower's next scheduled payment due date. Information related to next scheduled payment due date need not be provided to borrower's making such prepayments while in an in-school, grace, deferment, or forbearance period when payments are not due.

(c) *Minimum annual payment.* **(1)(i)** Subject to paragraph (c)(1)(ii) of this section and except as otherwise provided by a graduated, income-sensitive, extended, or income-based repayment plan selected by the borrower, during each year of the repayment period, a borrower's total payments to all holders of the borrower's FFEL Program loans must total at least $600 or the unpaid balance of all loans, including interest, whichever amount is less.

(ii) If the borrower and the lender agree, the amount paid may be less.

(2) The provisions of paragraphs (c)(1) (i) and (ii) of this section may not result in an extension of the maximum repayment period unless forbearance as described in Sec. 682.211, or deferment described in Sec. 682.210, has been approved.

(d) *Combined repayment of a borrower's student PLUS and SLS loans held by a lender.* **(1)** A lender may, at the request of a student borrower, combine the borrower's, student PLUS and SLS loans held by it into a single repayment schedule.

(2) The repayment period on the loans included in the combined repayment schedule must be calculated based on the beginning of repayment of the most recent included loan.

(3) The interest rate on the loans included in the new combined repayment schedule must be the weighted average of the rates of all included loans.

(e) Refinancing a fixed-rate PLUS or SLS Program loan to secure a variable interest rate. **(1)** Subject to paragraph (g) of this section, a lender may, at the

request of a borrower, refinance a PLUS or SLS loan with a fixed interest rate in order to permit the borrower to obtain a variable interest rate.

(2) A loan made under paragraph (e)(1) of this section—

(i) Must bear interest at the variable rate described in Sec. 682.202(a)(2)(ii) and (3)(ii) as appropriate; and

(ii) May not extend the repayment period provided for in paragraph (a)(7)(i) of this section.

(3) The lender may not charge an additional insurance premium or Federal default fee on the loan, but may charge the borrower an administrative fee pursuant to Sec. 682.202(e).

(f) *Refinancing of a fixed-rate PLUS or SLS Program loan to secure a variable interest rate by discharge of previous loan.* **(1)** Subject to paragraph (g) of this section, a borrower who has applied for, but been denied, a refinanced loan authorized under paragraph (e) of this section by the holder of the borrower's fixed-rate PLUS or SLS loan, may obtain a loan from another lender for the purpose of discharging the fixed-rate loan and obtaining a variable interest rate.

(2) A loan made under paragraph (f)(1) of this section—

(i) Must bear interest at the variable interest rate described in Sec. 682.202(a)(2)(ii) and (3)(ii) as appropriate;

(ii) May not operate to extend the repayment period provided for in paragraph (a)(7)(i) of this section; and

(iii) Must be disbursed to the holder of the fixed-rate loan to discharge the borrower's obligation thereon.

(3) Upon receipt of the proceeds of a loan made under paragraph (f)(1) of this section, the holder of the fixed-rate loan shall, within five business days, apply the proceeds to discharge the borrower's obligation on the fixed-rate loan, and provide the refinancing lender with either a copy of the borrower's original promissory note evidencing the fixed-rate loan or the holder's written certification that the borrower's obligation on the fixed-rate loan has been fully discharged.

(4) The refinancing lender may charge the borrower an insurance premium on a loan made under paragraph (f)(1) of this section, but may not charge a fee to cover administrative costs.

(5) For purposes of deferments under Sec. 682.210, the refinancing loan—

(i) Is considered a PLUS loan if any of the included loans is a PLUS loan made to a parent;

(ii) Is considered an SLS loan if the combined loan does not include a PLUS loan made to a parent; or

(iii) Is considered a loan to a "new borrower" as defined in Sec. 682.210(b)(7), if all the loans that were refinanced were made on or after July 1, 1987, for a period of enrollment beginning on or after that date.

(g) *Conditions for refinancing certain loans.* **(1)** A lender may not refinance a loan under paragraphs (e) or (f) of this section if that loan is in default, involves a violation of a condition of reinsurance described in Sec. 682.406, or, in the case of a Federal SLS or Federal PLUS loan, is uninsured by the Secretary.

(2)(i) Prior to refinancing a fixed-rate loan under paragraph (f) of this section, the lender shall obtain a written statement from the holder of the loan certifying that—

(A) The holder has refused to refinance the fixed-rate loan under paragraph (e) of this section; and

(B) The fixed-rate loan is eligible for insurance or reinsurance under paragraph (g)(1) of this section.

(ii) The holder of the fixed-rate loan shall, within 10 business days of receiving a lender's written request to provide a certification under paragraph (g)(2)(i) of this section, provide the lender with that certification, or provide the lender and the guarantor on the loan with a written explanation of the reasons for its inability to provide the certification to the requesting lender.

(iii) The refinancing lender may rely in good faith on the certification provided by the holder of the fixed-rate loan under paragraph (g)(2)(ii) of this section.

(h) *Consolidation loans.* **(1)** For a Consolidation loan, the repayment period begins on the day of disbursement, with the first payment due within 60 days after the date of disbursement.

(2) If the sum of the amount of the Consolidation loan and the unpaid balance on other student loans to the applicant—

(i) Is less than $7,500, the borrower shall repay the Consolidation loan in not more than 10 years;

(ii) Is equal to or greater than $7,500 but less than $10,000, the borrower shall repay the Consolidation loan in not more than 12 years;

(iii) Is equal to or greater than $10,000 but less than $20,000, the borrower shall repay the Consolidation loan in not more than 15 years;

(iv) Is equal to or greater than $20,000 but less than $40,000, the borrower shall repay the Consolidation loan in not more than 20 years;

(v) Is equal to or greater than $40,000 but less than $60,000, the borrower shall repay the Consolidation loan in not more than 25 years; or

(vi) Is equal to or greater than $60,000, the borrower shall repay the Consolidation loan in not more than 30 years.

(3) For the purpose of paragraph (h)(2) of this section, the unpaid balance on other student loans—

(i) May not exceed the amount of the Consolidation loan; and

(ii) With the exception of the defaulted title IV loans on which the borrower has made satisfactory repayment arrangements with the holder of the loan, does not include the unpaid balance on any defaulted loans.

(4) A repayment schedule for a Consolidation loan—

(i) Must be established by the lender;

(ii) Must require that each payment equal at least the interest that accrues during the interval between scheduled payments.

(5) Upon receipt of the proceeds of a loan made under paragraph (h)(2) of this section, the holder of the underlying loan shall promptly apply the proceeds to discharge fully the borrower's obligation on the underlying loan, and provide the consolidating lender with the holder's written certification that the borrower's obligation on the underlying loan has been fully discharged.

(i) *Treatment by a lender of borrowers' title IV, HEA program funds received from schools if the borrower withdraws.* **(1)** A lender shall treat a refund or a return of title IV, HEA program funds under Sec. 668.22 when a student withdraws received by the lender from a school as a credit against the principal amount owed by the borrower on the borrower's loan.

(2)(i) If a lender receives a refund or a return of title IV, HEA program funds under Sec. 668.22 when a student withdraws from a school on a loan that is no longer held by that lender, or that has been discharged by another lender by refinancing under Sec. 682.209(f) or by a Consolidation loan, the lender must transmit the amount of the payment, within 30 days of its receipt, to the lender to whom it assigned the loan, or to the lender that discharged the prior loan, with an explanation of the source of the payment.

(ii) Upon receipt of a refund or a return of title IV, HEA program funds transmitted under paragraph (i)(2)(i) of this section, the holder of the loan promptly must provide written notice to

(ii) Perform collection activities on the loan in the event of default within 3 years of the claim payment date.

(l) *Other terms.* The reinsurance agreement contains other terms and conditions that the Secretary finds necessary to—

(1) Promote the purposes of the FFEL programs and to protect the United States from unreasonable risks of loss;

(2) Ensure proper and efficient administration of the loan guarantee program; and

(3) Ensure that due diligence will be exercised in the collection of loans.

(Approved by the Office of Management and Budget under control number 1845-0020)

(Authority: 20 U.S.C. 1078, 1078-1, 1078-2, 1078-3, 1082)

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§682.405 Loan rehabilitation agreement.

(a) *General.* (1) A guaranty agency that has a basic program agreement must enter into a loan rehabilitation agreement with the Secretary. The guaranty agency must establish a loan rehabilitation program for all borrowers with an enforceable promissory note for the purpose of rehabilitating defaulted loans, except for loans for which a judgment has been obtained, loans on which a default claim was filed under Sec. 682.412, and loans on which the borrower has been convicted of, or has pled nolo contendere or guilty to, a crime involving fraud in obtaining title IV, HEA program assistance, so that the loan may be purchased, if practicable, by an eligible lender and removed from default status.

(2) A loan is considered to be rehabilitated only after—

(i) The borrower has made and the guaranty agency has received nine of the ten payments required under a monthly repayment agreement.

(A) Each of which payments is—

(1) Made voluntarily;

(2) In the full amount required; and

(3) Received within 20 days of the due date for the payment, and

(B) All nine payments are received within a 10-month period that begins with the month in which the first required due date falls and ends with the ninth consecutive calendar month following that month, and

(ii) The loan has been sold to an eligible lender.

(3) After the loan has been rehabilitated, the borrower regains all benefits of the program, including any remaining deferment eligibility under section 428(b)(1)(M) of the Act, from the date of the rehabilitation. Effective for any loan that is rehabilitated on or after August 14, 2008, the borrower cannot rehabilitate the loan again if the loan returns to default status following the rehabilitation.

(b) *Terms of agreement.* In the loan rehabilitation agreement, the guaranty agency agrees to ensure that its loan rehabilitation program meets the following requirements at all times:

(1) A borrower may request rehabilitation of the borrower's defaulted loan held by the guaranty agency. In order to be eligible for rehabilitation of the loan, the borrower must voluntarily make at least nine of the ten payments required under a monthly repayment agreement.

(i) Each of which payment is—

(A) Made voluntarily,

(B) In the full amount required, and

(C) Received within 20 days of the due date for the payment, and

(ii) All nine payments are received within a ten-month period that begins with the month in which the first required due date falls and ends with the ninth consecutive calendar month following that month.

(iii) For the purposes of this section, the determination of reasonable and affordable by the guaranty agency or its agents must—

(A) Include a consideration of the borrower's and spouse's disposable income and reasonable and necessary expenses including, but not limited to, housing, utilities, food, medical costs, work-related expenses, dependent care costs and other Title IV repayment;

(B) Not be a required minimum payment amount, e.g. $50, if the agency determines that a smaller amount is reasonable and affordable based on the borrower's total financial circumstances. The agency must include documentation in the borrower's file of the basis for the determination if the monthly reasonable and affordable payment established under this section is less than $50 or the monthly accrued interest on the loan, whichever is greater. However, $50 may not be the minimum payment for a borrower if the agency determines that a smaller amount is reasonable and affordable; and

(C) Be based on the documentation provided by the borrower or other sources including, but not be limited to—

(1) Evidence of current income (e.g., proof of welfare benefits, Social Security benefits, child support, veterans' benefits, Supplemental Security Income, Workmen's Compensation, two most recent pay stubs, most recent copy of U.S. income tax return, State Department of Labor reports);

(2) Evidence of current expenses (e.g., a copy of the borrower's monthly household budget, on a form provided by the guaranty agency); and

(3) A statement of the unpaid balance on all FFEL loans held by other holders.

(iv) The agency must include any payment made under Sec. 682.401(b)(4) in determining whether the nine out of ten payments required under paragraph (b)(1) of this section have been made.

(v) A borrower may request that the monthly payment amount be adjusted due to a change in the borrower's total financial circumstances only upon providing the documentation specified in paragraph (b)(1)(iii)(C) of this section.

(vi) A guaranty agency must provide the borrower with a written statement confirming the borrower's reasonable and affordable payment amount, as determined by the agency, and explaining any other terms and conditions applicable to the required series of payments that must be made before a borrower's account can be considered for repurchase by an eligible lender. The statement must inform borrowers of the effects of having their loans rehabilitated (e.g., credit clearing, possibility of increased monthly payments). The statement must inform the borrower of the amount of the collection costs to be added to the unpaid principal at the time of the sale. The collection costs may not exceed 18.5 percent of the unpaid principal and accrued interest at the time of the sale.

(vii) A guaranty agency must provide the borrower with an opportunity to object to terms of the rehabilitation of the borrower's defaulted loan.

(2) For the purposes of this section, payment in the full amount required means payment of an amount that is reasonable and affordable, based on the borrower's total financial circumstances, as agreed to by the borrower and the agency. Voluntary payments are those made directly by the borrower and do not include payments obtained by Federal offset,

garnishment, income or asset execution, or after a judgment has been entered on a loan. A guaranty agency must attempt to secure a lender to purchase the loan at the end of the 9- or 10-month payment period as applicable.

(3) Upon the sale of a rehabilitated loan to an eligible lender—

(i) The guaranty agency must, within 45 days of the sale—

(A) Provide notice to the prior holder of such sale, and

(B) ~~report to all national credit bureaus within 90 days of the date the loan was rehabilitated that the loan is no longer in a default status and that~~ Request that any consumer reporting agency to which the default ~~was reported is to be removed~~ remove the record of default from the borrower's credit history.

(ii) The prior holder of the loan must, within 30 days of receiving the notification from the guaranty agency, request that any consumer reporting agency to which the default claim payment or other equivalent record was reported remove such record from the borrower's credit history.

(4) An eligible lender purchasing a rehabilitated loan must establish a repayment schedule that meets the same requirements that are applicable to other FFEL Program loans of the same loan type as the rehabilitated loan must permit the borrower to choose any statutorily available repayment plan for that loan type. The lender must treat the first payment made under the nine payments as the first payment under the applicable maximum repayment term, as defined under Sec. 682.209(a) or (h). For Consolidation loans, the maximum repayment term is based on the balance outstanding at the time of loan rehabilitation.

(c) A guaranty agency must make available financial and economic education materials, including debt management information, to any borrower who has rehabilitated a defaulted loan in accordance with paragraph (a)(2) of this section.

(Approved by the Office of Management and Budget under control number 1845-0020)

(Authority: 20 U.S.C. 1078-6)

[59 FR 33355, June 28, 1994, as amended at 60 FR 30788, June 12, 1995; 64 FR 18980, Apr. 16, 1999; 64 FR 58965, Nov. 1, 1999; 66 FR 34764, June 29, 2001; 67 FR 67080, Nov. 1, 2002; 68 FR 75429, Dec. 31, 2003; 71 FR 45707, Aug. 9, 2006; 71 FR 64398, Nov. 1, 2006]

§682.406 Conditions for claim payments from the Federal Fund and for reinsurance coverage.

(a) A guaranty agency may make a claim payment from the Federal Fund and receive a reinsurance payment on a loan only if—

(1) The lender exercised due diligence in making, disbursing, and servicing the loan as prescribed by the rules of the agency;

(2) With respect to the reinsurance payment on the portion of a loan represented by a single disbursement of loan proceeds—

(i) The check for the disbursement was cashed within 120 days after disbursement; or

(ii) The proceeds of the disbursement made by electronic funds transfer or master check in accordance with Sec. 682.207(b)(1)(ii) (B) and (C) have been released from the restricted account maintained by the school within 120 days after disbursement;

(3) The lender provided an accurate collection history and an accurate payment history to the guaranty agency with the default claim filed on the loan showing that the lender exercised due diligence in collecting the loan through collection efforts meeting the requirements of Sec. 682.411, including collection efforts against each endorser;

(4) The loan was in default before the agency paid a default claim filed thereon;

(5) The lender filed a default claim thereon with the guaranty agency within 90 days of default;

(6) The lender resubmitted a properly documented default claim to the guaranty agency not later than 60 days from the date the agency had returned that claim due solely to inadequate documentation, except that interest accruing beyond the 30th day after the date the guaranty agency returned the claim is not reinsured unless the lender files a claim for loss on the loan with the guarantor together with all required documentation, prior to the 30th day;

(7) The lender satisfied all conditions of guarantee coverage set by the agency, unless the agency reinstated guarantee coverage on the loan following the lender's failure to satisfy such a condition pursuant to written policies and procedures established by the agency;

(8) The agency paid or returned to the lender for additional documentation a default claim thereon filed by the lender within 90 days of the date the lender filed the claim or, if applicable, the additional documentation, except that interest accruing beyond the 60th day after the date the lender originally filed the claim is not reinsured;

(9) The agency submitted a request for the payment on a form required by the Secretary no later than 30 days following payment of a default claim to the lender;

(10) The loan was legally enforceable by the lender when the agency paid a claim on the loan to the lender;

(11) The agency exercised due diligence in collection of the loan in accordance with Sec. 682.410(b)(6);

(12) The agency and lender, if applicable, complied with all other Federal requirements with respect to the loan including—

(i) Payment of origination fees;

(ii) For Consolidation loans disbursed on or after October 1, 1993, and prior to October 1, 1998, payment on a monthly basis, of an interest payment rebate fee calculated on an annual basis and equal to 1.05 percent of the unpaid principal and accrued interest on the loan;

(iii) For Consolidation loans for which the application was received by the lender on or after October 1, 1998 and prior to February 1, 1999, payment on a monthly basis, of an interest payment rebate fee calculated on an annual basis and equal to 0.62 percent of the unpaid principal and accrued interest on the loan;

(iv) For Consolidation loans disbursed on or after February 1, 1999, payment of an interest payment rebate fee in accordance with paragraph (a)(12)(ii) of this section; and

(v) Compliance with all default aversion assistance requirements in Sec. 682.404(a)(2)(ii).

(13) The agency assigns the loan to the Secretary, if so directed, in accordance with the requirements of Sec. 682.409; and

(14) The guaranty agency certifies to the Secretary that diligent attempts have been made by the lender and the guaranty agency under Sec. 682.411(h) to locate the borrower through the use of effective skip-tracing techniques, including contact with the schools the student attended.

(b) Notwithstanding paragraph (a) of this section, the Secretary may waive his right to refuse to make or require repayment of a reinsurance payment if, in the Secretary's judgment, the best interests of the United States so require. The Secretary's waiver policy for violations of paragraph (a)(3) or (a)(5) of this section is set forth in appendix D to this part.

(c) In evaluating a claim for insurance or reinsurance, the issue of

to a plan of the Secretary in response to the insolvency of the agency;

(B) Minus the original principal amount of all loans on which—

(1) The loan guarantee was cancelled;

(2) The loan guarantee was transferred to another agency;

(3) Payment in full has been made by the borrower;

(4) Reinsurance coverage has been lost and cannot be regained; and

(5) The agency paid claims.

(iii) Reasonable cost means a cost that, in its nature and amount, does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The burden of proof is upon the guaranty agency, as a fiduciary under its agreements with the Secretary, to establish that costs are reasonable. In determining reasonableness of a given cost, consideration must be given to—

(A) Whether the cost is of a type generally recognized as ordinary and necessary for the proper and efficient performance and administration of the guaranty agency's responsibilities under the HEA;

(B) The restraints or requirements imposed by factors such as sound business practices, arms-length bargaining, Federal, State, and other laws and regulations, and the terms and conditions of the guaranty agency's agreements with the Secretary; and

(C) Market prices of comparable goods or services.

(b) *Administrative requirements*—**(1)** *Independent audits.* The guaranty agency shall arrange for an independent financial and compliance audit of the agency's FFEL program as follows:

(i) With regard to a guaranty agency that is an agency of a State government, an audit must be conducted in accordance with 31 U.S.C. 7502 and 34 CFR part 80, appendix G.

(ii) With regard to a guaranty agency that is a nonprofit organization, an audit must be conducted in accordance with OMB Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations and 34 CFR 74.61(h)(3). If a nonprofit guaranty agency meets the criteria in Circular A-133 to have a program specific audit, and chooses that option, the program specific audit must meet the following requirements:

(A) The audit must examine the agency's compliance with the Act, applicable regulations, and agreements entered into under this part.

(B) The audit must examine the agency's financial management of its FFEL program activities.

(C) The audit must be conducted in accordance with the standards for audits issued by the United States General Accounting Office's (GAO) Government Auditing Standards. Procedures for audits are contained in an audit guide developed by, and available from, the Office of the Inspector General of the Department.

(D) The audit must be conducted annually and must be submitted to the Secretary within six months of the end of the audit period. The first audit must cover the agency's activities for a period that includes July 23, 1992, unless the agency is currently submitting audits on a biennial basis, and the second year of its biennial cycle starts on or before July 23, 1992. Under these circumstances, the agency shall submit a biennial audit that includes July 23, 1992 and submit its next audit as an annual audit.

(2) *Collection charges.* Whether or not provided for in the borrower's promissory note and subject to any limitation on the amount of those costs in that note, the guaranty agency shall charge a borrower an amount equal to reasonable costs incurred by the agency in collecting a loan on which the agency has paid a default or bankruptcy claim. These costs may include, but are not limited to, all attorney's fees, collection agency charges, and court costs. Except as provided in Sec. Sec. 682.401(b)(27) and 682.405(b)(1)(iv), the amount charged a borrower must equal the lesser of—

(i) The amount the same borrower would be charged for the cost of collection under the formula in 34 CFR 30.60; or

(ii) The amount the same borrower would be charged for the cost of collection if the loan was held by the U.S. Department of Education.

(3) *Interest charged by guaranty agencies.* The guaranty agency shall charge the borrower interest on the amount owed by the borrower after the capitalization required under paragraph (b)(4) of this section has occurred at a rate that is the greater of—

(i) The rate established by the terms of the borrower's original promissory note;

(ii) In the case of a loan for which a judgment has been obtained, the rate provided for by State law.

(4) *Capitalization of unpaid interest.* The guaranty agency shall capitalize any unpaid interest due the lender from the borrower at the time the agency pays a default claim to the lender.

(5) ~~*Credit bureau r*~~*Reports to consumer reporting agencies*. **(i)** After the completion of the procedures in paragraph (b)(5)(ii) of this section, the guaranty agency shall, after it has paid a default claim, report promptly, but not less than sixty days after completion of the procedures in paragraph (b)(6)(v) of this section, and on a regular basis, to all ~~national credit bureaus~~ nationwide consumer reporting agencies—

(A) The total amount of loans made to the borrower and the remaining balance of those loans;

(B) The date of default;

(C) Information concerning collection of the loan, including the repayment status of the loan;

(D) Any changes or corrections in the information reported by the agency that result from information received after the initial report; and

(E) The date the loan is fully repaid by or on behalf of the borrower or discharged by reason of the borrower's death, bankruptcy, total and permanent disability, or closed school or false certification.

(ii) The guaranty agency, after it pays a default claim on a loan but before it reports the default to a ~~credit bureau~~ consumer reporting agency or assesses collection costs against a borrower, shall, within the timeframe specified in paragraph (b)(6)~~(v)~~(ii) of this section, provide the borrower with—

(A) Written notice that meets the requirements of paragraph (b)(5)(vi) of this section regarding the proposed actions;

(B) An opportunity to inspect and copy agency records pertaining to the loan obligation;

(C) An opportunity for an administrative review of the legal enforceability or past-due status of the loan obligation; and

(D) An opportunity to enter into a repayment agreement on terms satisfactory to the agency.

(iii) The procedures set forth in 34 CFR 30.20-30.33 (administrative offset) satisfy the requirements of paragraph (b)(5)(ii) of this section.

(iv)(A) In response to a request submitted by a borrower, after the deadlines established under agency rules, for access to records, an administrative review, or for an opportunity to enter into a repayment agreement, the agency shall provide the requested relief but may continue reporting the debt to ~~credit bureaus~~ consumer reporting agencies until it determines that the borrower has

From: Hoblitzell, Barbara
Sent: 2 Sep 2015 21:41:23 +0000
To: Weisman, Annmarie;Chesley, Susan;Utz, Jon;Smith, Brian;Siegel, Brian;Foss, Ian
Subject: Fwd: REPAYE Capitalization.

FYI

Begin forwarded message:

> **From:** "O'Brien, Erin" <(b)(6) @omb.eop.gov>
> **Date:** September 2, 2015 at 5:39:52 PM EDT
> **To:** "Hoblitzell, Barbara" <Barbara.Hoblitzell@ed.gov>
> **Subject: RE: REPAYE Capitalization.**
>
> We are very close, so hopefully we can talk tomorrow. I am expecting to hear back from Sharon (my political) tonight or tomorrow. Thanks for your patience.
>
> -----Original Message-----
> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> Sent: Wednesday, September 02, 2015 5:20 PM
> To: O'Brien, Erin <(b)(6) @omb.eop.gov>
> Subject: REPAYE Capitalization.
>
> Hi, Erin.
>
> Any news on the decision? Would it be helpful to have a short call tomorrow?
>
> b.

From: Jackson, Lateata
Sent: 12 Dec 2011 10:52:36 -0600
To: Battle, Cynthia;Foss, Ian
Subject: Fwd: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment
Attachments: ID 1492_ Capitalization Practices - Revised 11162011.docx, ATT00001.htm

Cindy/Ian,

Here is the cr that went out make any updates need based on the questions received to date & attach an updated spreadsheet with a q&a tab And we can get this out today giving them until Wed the 14th to respond.

Business Operations Change Request Form

Send all Change Request Forms to POCChangeRequest@ed.gov

Administrative Information

Service Area Validation for Submission Completed: ☒ **Defer:** ☐ **ID: 1492 (revised 11/16/11)**

Requestor: Cynthia Battle

Date Submitted: 8/4/2011

Title of change request: **Requirements Clarifications for Interest Capitalization Practices**

Anticipated Implementation Date: **March 30, 2012**

FSA System/Area Impacted

☐ COD	☐ CPS	☐ eCampus Based
☐ TPD	☐ DLSS	☐ FFEL Commercial
☐ DLCS	☐ DMCS/DMCS2	☐ NSLDS
☒ ACES Nelnet Platform	☐ Participation Management	☐ EDExpress
☒ All Servicers (TIVAS)	☐ Security Architecture	☐ SAIG
☐ PEPS/IPM	☐ EAI	☐ FMS
☐ FPDM	☐ CSB Data Mart	☒ **Other NFP**

Details

Description of Change Requested:

- FSA is providing the below Business Rule as clarification on Interest Capitalization Practices. There are no new requirements in this Change Request. If Servicers require additional clarification meetings please contact lateata.jackson@ed.gov.

- To aid FSA in understanding where servicers are compliant and where changes still need to be made. Each servicer shall complete the attached spreadsheet/checklist and return it with your firm's revised assessment.
    - Where you indicate your firm is compliant Servicers shall submit the requested artifacts to support your firm's compliance along with your revised assessment.
        - Servicers shall follow the testing scenarios as outlined by FSA.

- Servicers shall propose individual implementation dates no later than March 30, 2012.

Reason for Change:

To standardize the interest capitalization events across all ED servicers

Reference

- 34 CFR 682.202(b) Permissible Charges by Lenders to Borrowers, *Capitalization*
- 34 CFR 682.211(f)(11) Forbearance
- 34 CFR 685.202(b) Charges for Which Direct Loan Program Borrowers are Responsible, *Capitalization*
- 34 CFR 685.205(b)(9) Forbearance, *Administrative Forbearance*
- 34 CFR 685.208(l)(5) Repayment Plans, *Alternative Repayment*
- 34 CFR 685.209(c)(5) Income Contingent Repayment Plan, *Limitation on Capitalization of Interest*
- 34 CFR 685.221(b)(4) Income Based Repayment Plan

Business Rule

Interest capitalization occurs when a borrower's unpaid accrued interest is added to the borrower's unpaid principal balance.

Capitalization for the following loans is only permitted as explicitly authorized below.

When referencing an ED-held FFELP Loan, the following FFELP loans in the Department-held portfolio are included: PUT, Conduit, and reinstated TPD loans.

When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).

For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan:

- Exits forbearance.

For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan:

- Enters repayment;
- Exits deferment; and
- Exits forbearance.

For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan:

- Exits deferment; and
- Exits forbearance.

For Direct Subsidized Consolidation Loans, interest is capitalized when the loan:

- Exits forbearance.

For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan:

- Exits deferment; and
- Exits forbearance.

For Direct PLUS Consolidation Loans, interest is capitalized when the loan:

- Exits deferment; and
- Exits forbearance.

For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.

Special rule for periods of back-to-back deferment and/or forbearance:

> If a borrower enters a series of status changes that would otherwise result in interest capitalization, the servicer will capitalize only once, at the end of the final status change, as illustrated by the following examples:
>
> > Example 1. If a borrower is placed on administrative forbearance, then has the forbearance extended as a regular forbearance, and finally is placed in an economic hardship deferment, without any breaks between the periods of forbearance and deferment, the accrued interest is not capitalized until the end of the deferment period.
> >
> > Example 2. If a borrower with a PLUS loan that was first disbursed on or after July 1, 2008 receives an in-school deferment covering the total period of at least half-time enrollment that is immediately followed by a six-month post enrollment deferment, the interest that accrued from the period of first disbursement to entry into repayment, the in-school deferment, and the post-enrollment deferment is not capitalized until the end of the six-month post-enrollment deferment period because there is no break between the two deferment periods.

For borrowers who are repaying Direct Loans under the Income Contingent Repayment (ICR) or Alternative Repayment Plans, interest is capitalized annually when the scheduled payments do not cover the interest that has accrued on the loan ("negative amortization"), except as provided below.

In the case of negative amortization, the servicer capitalizes interest on July 31 each year, but only for interest that accrues through June 30. Delaying the date of capitalization gives the borrower an opportunity to pay the accrued interest before it capitalizes. For loans that are in deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.

> For example, if a borrower's calculated monthly payment covers all but $50 of the interest that accrues each month, $600 in unpaid interest will accrue over the course of a 12-month period, despite the borrower having been in repayment the entire year and having paid the full monthly payment each month. On July 31, the servicer will capitalize the interest that accrued between July 1 of the preceding year and June 30 of the current year. Although $650 of unpaid interest will have accrued at the time of capitalization, only $600 will be capitalized on July 31.
>
> Exception One: the annual capitalization excludes any interest that accrued during forbearance (including reduced payment forbearance during which the payment may be less than the monthly interest amount) and deferment.
>
> > If a deferment or forbearance ends prior to the annual capitalization date of July 31, the servicer will capitalize only the interest accrued during the deferment or forbearance period at the conclusion of the deferment or forbearance. The servicer will then capitalize the interest that accrued due to negative amortization on July 31, but only for interest that accrued through June 30.
> >
> > For example, if an ICR borrower whose loan negative amortizes receives a deferment from January 15 – July 15, the servicer will capitalize unpaid interest that accrued during the deferment period at the conclusion of the deferment. Unpaid interest that accrued due to the negative amortization from July 1 of the prior year to June 30 of the current year will be capitalized on July 31—at the time of annual capitalization.
>
> Exception Two: interest is capitalized due to negative amortization until the outstanding principal balance is ten percent greater than the original principal balance. The original principal balance is the principal balance when the borrower's loan enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations. Once the ten percent capitalization is reached, the servicer continues to accrue interest on the borrower's loan(s), but the interest above the ten percent is not capitalized.

For borrowers who are repaying any Direct Loan or ED-held FFELP Loan under the Income Based Repayment (IBR) Plan, and regardless of any other rule concerning interest capitalization, interest is not capitalized until the borrower no longer has a partial financial hardship (PFH) or exits IBR.

> For example, if a borrower who is repaying under IBR receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment.
>
> Conversely, if a borrower is repaying his or her loan(s) under IBR and receives a deferment or forbearance that ends after the borrower has been determined to no longer have a PFH or after the borrower requests to be removed from IBR, the servicer will capitalize the accrued interest at the end of the deferment or forbearance.

For the above scenarios, the loans accrue interest until the day prior to the date of capitalization unless otherwise stated above.

Notification of Capitalization

When the Servicer capitalizes interest and increases the borrower's principal balance, the Servicer is required to notify the borrower that all unpaid interest will be, or has been capitalized. After interest has been added to the

borrower's principal balance, the Servicer is required to re-disclose to the borrower the amount of interest capitalized and the borrower's adjusted payment amount.

Additional Information (ALL OPERATIONAL IMPACTS MUST BE ASSESSED):

IST Anticipation: No IST required for this CR.

Validation (Requirement ID/Criteria): FSA requires a copy of each servicers updated procedures relating to capitalization events and practices. Please submit your updated procedures documents to lateata.jackson@ed.gov at least 2 weeks prior to the implementation date.

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)?
N/A

From: (b)(4); (b)(6)
Sent: 16 Jun 2017 20:02:02 +0000
To: (b)(4); (b)(6) Jackson, Lateata; (b)(4); (b)(6) CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Subject: Great Lakes CR2785 Interest Capping
Attachments: CR2785 IDR subsidy alert fixes.docx

Attached, please find screenshots of the subsidy alert text which was implemented on 6/7/17.

This is the final validation artifact for CR2785. Please feel free to contact me if you have questions or need anything additional.

Thank you,

(b)(4); (b)(6)
(b)(4); (b)(6)
Great Lakes Educational Loan Services, Inc.
(b)(6)
(b)(4); (b)(6)@glhec.org

From: (b)(4); (b)(6)
Sent: Wednesday, May 03, 2017 6:11 PM
To: 'Jackson, Lateata'; (b)(4); (b)(6) 'CM_Validation'; 'Yorkshire, Nikcola'; 'Kim, Bora'; 'Foss, Ian'; 'Battle, Cynthia'; 'Chialastri, Taneka'; 'Oldre, Lisa'; 'Walsh, Mark'; 'Bubel, Susan'
Cc: Servicing Operations
Subject: RE: Great Lakes CR2785 Interest Capping

Great Lakes confirms receipt and appreciates the approval. We have successfully implemented CR#2785 today.

(b)(4); (b)(6)
(b)(4); (b)(6) | Manager – Servicing Operations
(b)(6) |Mobile (b)(6) | F: (b)(6) | (b)(4); (b)(6)@glhec.org
Great Lakes Educational Loan Services, Inc.





From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, May 03, 2017 8:45 AM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping

With the below information and the artifacts and walkthrough provided FSA approves Great Lakes artifacts and Compliance Statement for this CR. Note that you will need to follow-up with FSA after you implement #1 below on June 7, 2017.

Lateata,

Below is a response to the two items you were looking for a follow up on:

(b)(5)

From: (b)(4); (b)(6) [mailto: (b)(4); (b)(6) @glhec.org]
Sent: Wednesday, March 01, 2017 5:46 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Supporting Documentation

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following supporting documentation:

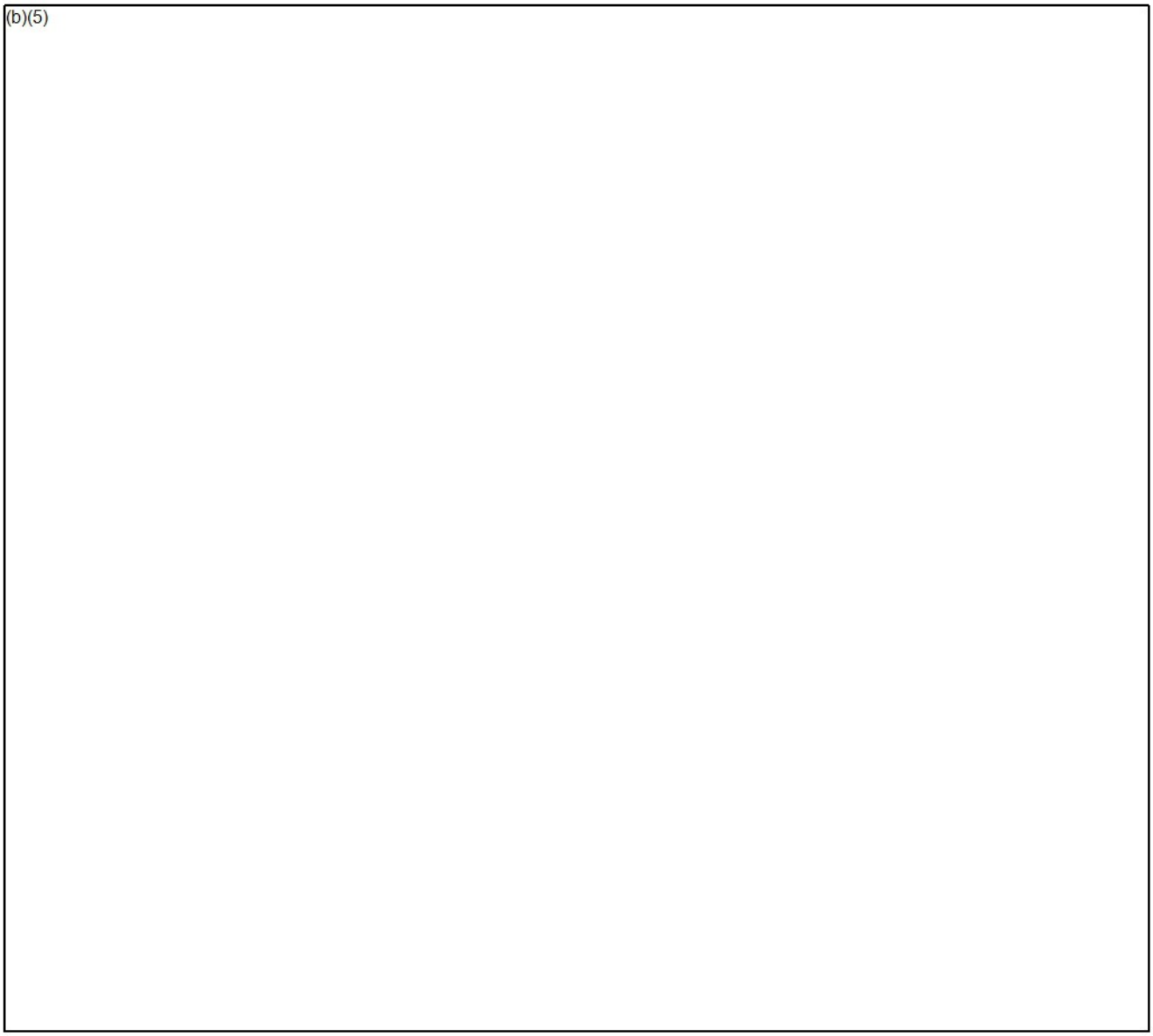
- New Correspondence
- Training Materials
- System Documentation

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you – Jim

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
I/S Dev – Client & Internal Experience
Great Lakes Higher Education Corporation

The information contained in this communication may be confidential, is intended only for the use of the recipient(s) named above, and may be protected under state or federal law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication, or any of its contents, is strictly prohibited. If you have received this communication in error, please forward the communication to notme@glhec.org immediately and destroy or delete the original message and any copy of it from your computer system. If you have any questions concerning this message, please contact the sender.


(b)(5)

From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:38:21 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6);Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts - Test System Aging
Attachments: Great Lakes Test Environment Limitations.docx

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Hello!

I will be sending several emails in a few minutes containing the Great Lakes CR2785 Interest Capping Validation Artifacts. We wanted to call out a few things we noticed in our web applications that you may have questions about that are caused by test system limitations with account aging. These are noted in the attached document.

(b)(5)

Thank you – Jim

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
I/S Dev – Client & Internal Experience
Great Lakes Higher Education Corporation

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INTEREST CAPPING VALIDATION ITEMS FOR AWARENESS

CR#2785

While generating the validation artifacts for Interest Capping, we discovered a few system limitations that appear in the Borrower and Agent web applications. These are strictly test environment limitations caused by the aging process. We wanted to make FSA aware of these to help with the artifact review.

MyGreatlakes Screenshots:

- Final Payment Date – This date is determined based on current system date. This date cannot be aged.
- Welcome to the Message Center date received – This date is the current date when the account was loaded. This date cannot be aged.

MyCompass Screenshots:

- Past Due Amount – Days – This value is calculated up to the current date. This date cannot be aged.
- Max Payoff Date – This date is calculated based on remaining number of payments and uses the current date. As we process through the aging, the number of payments remaining goes down and subsequently moves the max payoff date back. We cannot age this date.
- Interest Accrued Per Diem – This value is calculated using current date. This date cannot be aged. Because of the aging process we used, this value may not be accurate.
- Get your 2016 tax statements – This message determines the year based on the current date. This date cannot be aged.

IDR Workflow Screenshots:

- Entered By – The date displayed with the user value is the current system date when the application was keyed. This date cannot be aged.
- Last Updated By – The date displayed with the user value is the current system date when the update was keyed. This date cannot be aged.

From: (b)(4); (b)(6)
Sent: 2 Mar 2017 21:54:07 +0000
To: (b)(4); (b)(6) CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Scenario 14
Attachments: SecureMessageAtt.html





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If you are viewing this from a mobile device, click

here to read your message on your mobile device. The mobile link expires on 2017-04-01 16:54 CDT

More Info

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For questions about your student loans, contact us at (800) 236-4300. For technical questions about this secure email, call (866) 227-8928.

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For questions about your student loans, contact us at (800) 236-4300. For technical questions about this secure email, call (866) 227-8928.

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From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:39:25 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) ;Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Scenarios 1 & 2
Attachments: Scenario 1 Nadege Smith.zip, Scenario 2 Holly Smith.zip

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following Test Scenarios:

- Scenario 1: Nadege Smith
- Scenario 2: Holly Smith

Also, please note to better accommodate account aging requirements in the Great Lakes test environment, we began processing effective in February of 2012. This applies to all of the Validation Artifact test scenarios.

Additional emails to follow for the remaining Validation Test Scenarios.

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you – Jim

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
I/S Dev – Client & Internal Experience
Great Lakes Higher Education Corporation

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From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:41:35 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Scenarios 3 & 4
Attachments: Scenario 3 Brandon Smith.zip, Scenario 4 Denise Smith.zip

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following Test Scenarios:

- Scenario 3: Brandon Smith
- Scenario 4: Denise Smith

Also, please note to better accommodate account aging requirements in the Great Lakes test environment, we began processing effective in February of 2012. This applies to all of the Validation Artifact test scenarios.

Additional emails to follow for the remaining Validation Test Scenarios.

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you – Jim

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
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From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:42:16 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) ;Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Scenarios 5 & 6
Attachments: Scenario 5 Renitha Smith.zip, Scenario 6 Nikita Smith.zip

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following Test Scenarios:

- Scenario 5: Renitha Smith
- Scenario 6: Nikita Smith

Also, please note to better accommodate account aging requirements in the Great Lakes test environment, we began processing effective in February of 2012. This applies to all of the Validation Artifact test scenarios.

Additional emails to follow for the remaining Validation Test Scenarios.

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you – Jim

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
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original message and any copy of it from your computer system. If you have any questions concerning this message, please contact the sender.

From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:43:38 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) ;Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Scenarios 7 & 8
Attachments: Scenario 7 Rhonda Smith.zip, Scenario 8 Julii Smith.zip

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following Test Scenarios:

- Scenario 7: Rhonda Smith
- Scenario 8: Julii Smith

Also, please note to better accommodate account aging requirements in the Great Lakes test environment, we began processing effective in February of 2012. This applies to all of the Validation Artifact test scenarios.

Additional emails to follow for the remaining Validation Test Scenarios.

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you – Jim

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
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From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:43:42 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Scenarios 9 & 10
Attachments: Scenario 9 Melody Smith.zip, Scenario 10 Sherry Smith.zip

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following Test Scenarios:

- Scenario 9: Melody Smith
- Scenario 10: Sherry Smith

Also, please note to better accommodate account aging requirements in the Great Lakes test environment, we began processing effective in February of 2012. This applies to all of the Validation Artifact test scenarios.

Additional emails to follow for the remaining Validation Test Scenarios.

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you – Jim

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
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From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:44:32 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) ;Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Scenarios 11 & 12
Attachments: Scenario 11 Taylor Smith.zip, Scenario 12 Stacey Smith.zip

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following Test Scenarios:

- Scenario 11: Taylor Smith
- Scenario 12: Stacey Smith

Also, please note to better accommodate account aging requirements in the Great Lakes test environment, we began processing effective in February of 2012. This applies to all of the Validation Artifact test scenarios.

Additional emails to follow for the remaining Validation Test Scenarios.

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you – Jim

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From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:45:36 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Scenarios 13 & 15
Attachments: Scenario 13 Roberta Smith.zip, Scenario 15 Ceylan Smith.zip

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following Test Scenarios:

- Scenario 13: Roberta Smith
- Scenario 15: Ceylan Smith

Also, please note to better accommodate account aging requirements in the Great Lakes test environment, we began processing effective in February of 2012. This applies to all of the Validation Artifact test scenarios.

Additional emails to follow for the remaining Validation Test Scenarios.

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you – Jim

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
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From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:45:39 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Supporting Documentation
Attachments: Supporting Documentation.zip

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following supporting documentation:

- New Correspondence
- Training Materials
- System Documentation

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you – Jim

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
I/S Dev – Client & Internal Experience
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From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:45:39 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Supporting Documentation
Attachments: Supporting Documentation.zip

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following supporting documentation:

- New Correspondence
- Training Materials
- System Documentation

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you – Jim

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
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From: (b)(4); (b)(6)
Sent: 25 Feb 2015 03:25:26 +0000
To: @americanprogress.org; @csustudents.org @sbls.org; (b)(4); (b)(6) @consumer.org; (b)(4); (b)(6) (b)(4); (b)(6) @ky.gov; @atg.state.il.us; (b)(4); (b)(6) @studentveterans.org; (b)(4); (b)(6) @studentveterans.org; @cca.edu; @nyit.edu (b)(4); (b)(6) @csun.edu; @gle edu; @mohave.edu; @lanecc.edu; (b)(4); (b)(6) @temple.edu; (b)(4); (b)(6) @berkeley.edu; @leeuniversity.edu; (b)(4); (b)(6) @davenport.edu (b)(4); (b)(6) @Laureate.net; @beonair. com @mohela.com; @glhec.org; (b)(4); (b)(6) @nelnet.net (b)(4); (b)(6) @pheaa.org; (b)(4); (b)(6) (b)(4); (b)(6) @podziba.com
Cc: Jessica Thompson;Pauline Abernathy;Appel, Jeff;Mahaffie, Lynn;Sydor, Katherine;Mais, Joseph;Foss, Ian;Arnold, Nathan
Subject: Impact of interest capitalization in PAYE
Attachments: Impact of Interest Capitalization in PAYE - TICAS 02-24-15.pdf

Hi all,

Thanks again for inviting us to speak about our Pay As You Earn (PAYE) recommendations to the negotiated rulemaking committee today. Several negotiators raised questions about how changes to the treatment of interest capitalization would affect borrowers in PAYE, so we thought it would be helpful to share an example. This issue is discussed on pages 6-7 of TICAS' memo with PAYE recommendations.

The attached document walks through the impact of interest capitalization for a borrower with $25,000 in debt, who loses her partial financial hardship (PFH) when she gets a better paying, full-time position in her 10th year of repayment. For this borrower, eliminating interest capitalization from PAYE (as compared to the current 10% cap on interest capitalization) would *reduce* the amount she has discharged after 20 years of payments by $1,700 (-8%), while removing the cap on interest capitalization in PAYE would *increase* the amount discharged by $6,300 (28%).

Let us know if you have any questions about this. I might have missed a few people in the room (sorry!); feel free to forward this email to them or other interested parties.

(b)(4); (b)(6)
Senior Research Analyst
The Institute for College Access & Success
405 14th St., Suite 1100
Oakland, CA 94612
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the institute for college access & success

THE PROJECT ON STUDENT DEBT

Impact of Interest Capitalization in Pay As You Earn (PAYE)

February 24, 2015

Currently, unpaid accrued interest capitalizes when a borrower enrolled in Pay As You Earn (PAYE) no longer has a partial financial hardship (PFH)[1] and when he or she chooses to exit PAYE to enroll in another repayment plan. Capitalized interest is added to the borrower's outstanding principal balance, meaning that new interest begins accruing on a higher loan balance and the total amount owed will grow faster than it would have without the capitalization.

As detailed in pages 6-7 of TICAS' memo with PAYE recommendations for the current negotiated rulemaking process, ***we recommend eliminating the capitalization of interest while borrowers remain in PAYE.*** Capitalizing interest when borrowers lose their PFH status may increase costs for borrowers whose incomes are low for extended periods of time, as well as inflate the size of any discharged amount at the end of the repayment period.

If interest capitalization is not eliminated for borrowers in PAYE, it is important to retain the existing limit on the amount of accrued interest that can capitalize. Currently, the amount of accrued interest that can capitalize in PAYE is capped at 10% of the borrower's loan balance when he or she entered the plan. For borrowers who experience many years of low income while enrolled in PAYE, this protection helps prevent them from having to pay more, and from having a larger balance forgiven, if their income ever rises to the point that they no longer have a PFH and their accrued interest capitalizes. Additionally, under current statute, discharged amounts in PAYE (and the other income-driven repayment plans) are treated as taxable income, so there may also be significant tax implications for some borrowers if the interest capitalization cap is removed from PAYE.

To illustrate the potential impact of interest capitalization, consider a single borrower with $25,000 in federal loans. She is only able to find part-time work and earns $15,000 in adjusted gross income (AGI) when she enters repayment and enrolls in PAYE. In year 10, she gets a better paying, full-time position and earns $60,000 AGI. Due to this increase in income, she no longer has a PFH, and $2,500 of her unpaid, accrued interest capitalizes.[2]

As shown in the chart and table on the following page:

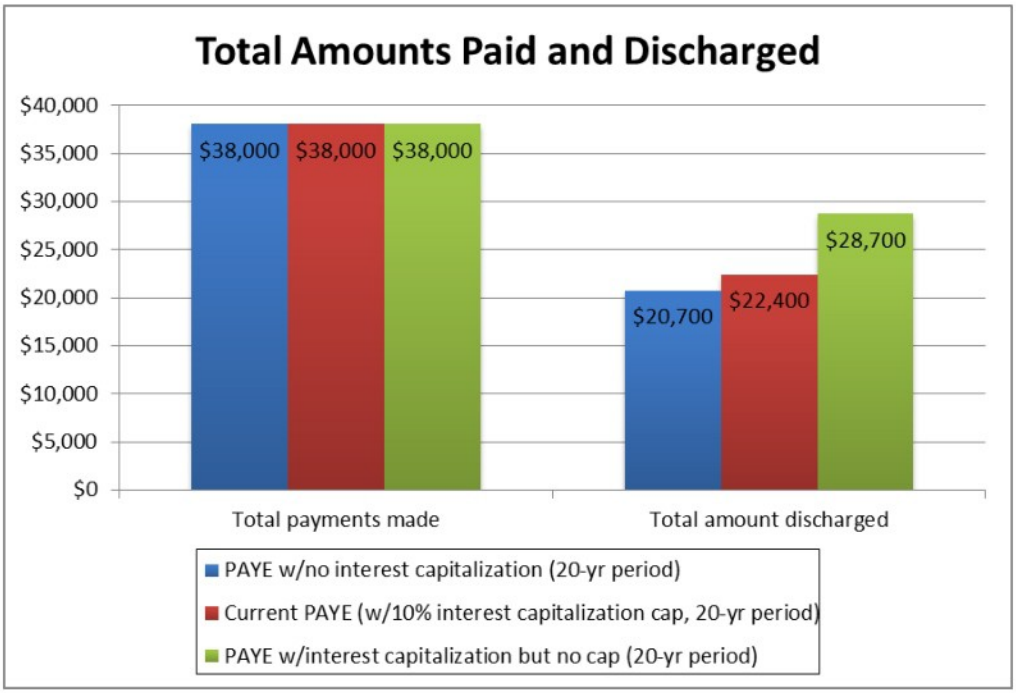
- Eliminating interest capitalization from PAYE (as compared to the current 10% cap on interest capitalization) would reduce the amount discharged by $1,700 (-8%).
- However, removing the cap on interest capitalization in PAYE would *increase* the amount discharged by $6,300 (28%).
- Interest capitalization does not affect the monthly payment amounts or time in repayment for this borrower, so her total amount paid is the same, regardless of whether interest capitalization occurs and whether it is capped or uncapped. In all cases, she pays her entire loan principal plus $13,000 in interest.

---

[1] Borrowers no longer have a PFH when 10% of their discretionary income becomes greater than or equal to the 10-year standard payment amount due to changes in their income and/or family size, and when borrowers do not submit their annual income documentation on time.

[2] The borrower has $15,300 of unpaid, accrued interest at the end of year 9, but the cap on interest capitalization in PAYE limits the amount that can capitalize to $2,500 (10% of her $25,000 loan debt when she entered PAYE).

Single borrower with $25,000 federal debt, $15,000 AGI in year 1 (increasing 4% a year), then $60,000 AGI in year 10 (increasing 4% a year)



	Fixed 10-year plan	PAYE w/no interest capitalization (20-yr period)	Current PAYE (w/10% interest capitalization cap, 20-yr period)	PAYE w/interest capitalization but no cap (20-yr period)
Monthly payment amounts	$290	$0 to $290	$0 to $290	$0 to $290
Total payments made	$34,500	$38,000	$38,000	$38,000
Total payments made, adjusted for inflation	$30,650	$26,900	$26,900	$26,900
Total amount discharged	$0	$20,700	$22,400	$28,700
Total amount discharged, in 2015 dollars	$0	$12,900	$14,000	$17,900
Years in repayment	10.0	20.0	20.0	20.0

Methodology Notes:

- *The borrower is single, does not have anyone else in the household, and lives in one of the 48 contiguous states.*
- *All incomes shown in this appendix are Adjusted Gross Incomes (AGIs).*
- *Unless otherwise noted, the borrower's adjusted gross income (AGI) increases 4% a year.*
- *The average interest rate on the borrower's loans is 6.8%.*
- *Calculations are based on 2015 poverty levels and assume that the poverty level increases annually at the rate of inflation.*
- *Total amounts paid and discharged are illustrated in current dollars and then discounted at a 2.4% annual rate, the projected average annual increase in the Consumer Price Index over the next 20 years.*
- *Monthly payments are rounded to the nearest $10, total payments to the nearest $50.*

From: FortKnoxCadet-PFC1
Sent: 13 Jun 2016 18:28:47 -0400
To: Foss, Ian
Subject: Interest capitalization question?

Ian I have a quick question. (b)(5)
(b)(5)

Thanks.
Jennifer Lear, JD, AFC®
Personal Financial Counselor
Fort Knox, Kentucky
☎ Mobile: (b)(6)
FortKnoxCadet-PFC1@MFLC.Zeiders.com
How am I doing? Please complete this short survey?
PFC Client Satisfaction Survey

From: Hoblitzell, Barbara
Sent: 26 Jan 2016 14:54:40 +0000
To: Foss, Ian
Subject: Issue Paper 8 Interest Capitalization Session II
Attachments: Issue Paper 8 Interest Capitalization Session II.docx

Hi, Ian.
Any chance you can quickly replace the 'summary of issue' with a 'summary of changes' for clearance? If not, I'll pull something together.
Planning to send to Leslie within the half hour…

Page 0840

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0841

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0842

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0843

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Walsh, Mark
Sent: 8 Jan 2016 21:00:20 +0000
To: Oldre, Lisa;Brooks, John;LaVia, Mark;Kang, Soo;Foss, Ian;Battle, Cynthia;Dragoo, Janet;(b)(4); (b)(6) Hitchcock, Steven;Johnson, Debbe;Porter, Larry;Roberts, Sherika;Van Buren, Eric;Winters-Ragland, Taisha;Leifeste, Denise;Coates, Katherine;Fogle, Demetrias;Holloway, Destre;Honemann, Lauren;Vann, Jason;Wallace, Brenda;William, Karen;Wood, Michael;Young, Sally;Allen, Heather;Baldridge, Paula;Gibson, Karen;Jones, Amber K.;Brown, Lenny;Bush, David;Connelly, Tammy;Ratchford, Sabrina;Smith, Lynn;Washington, Patrice;Varnovitsky, Natasha;Scaniffe, Dawn;Burton, Vanessa;Oknich, Mary;Hough, Jana;Trubia, Patricia
Subject: KC Servicer Monitoring Team Report: Interest Capitalization
Attachments: Interest Capitalization Report-FINAL 01-08-2016.pdf

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Good Afternoon –

Attached is the final report for the team's recent monitoring review on Interest Capitalization. We are breaking with tradition and will not present this report during a scheduled meeting. Several servicers were not reviewed (Great Lakes, FedLoan and platform users MOHELA and CornerStone) because these servicers are already working with FSA's Internal Controls on interest capping issues. We did not want to make them respond on two fronts, however we felt it was important to continue with this review. As it turned out the servicers included performed very well so there is little to discuss. Once the servicers we skipped have fixed all of their issues we can properly review them.

Please let me know if you have questions.

Mark C. Walsh | Supervisory Management and Program Analyst
Loan Servicing I Federal Student Aid | U.S. Dept. of Education
Kansas City, MO 64106 | Office: 816-268-0412 | Cell: 202-557-5850

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Monitoring Event: Interest Capitalization

Monitoring Period: September 2015
Report Date: January 8, 2016

PREPARED FOR:

FSA Business Operations

Washington, DC

PREPARED BY:

KC Servicer Monitoring Team

Contact: Mark C. Walsh

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Executive Summary

To determine if the servicer appropriately capitalized accrued interest, and did not capitalize non-capitalizing accrued interest.

Background

In 2011, FSA issued CR 1492–Capitalization Practices. An updated CR has been issued, CR 2785–Requirement Clarification for CR 1492.

Servicers Not Monitored

FedLoan Servicing was not monitored as multiple items related to this topic have already been identified by the FSA Internal Controls team. After consultation it was determined unnecessary to identify the same issues again in this monitoring review. Once FedLoan has completed the needed corrections they will be examined on this topic.

Because not-for-profit servicers MOHELA and CornerStone utilize the FedLoan platform, they were also not reviewed during this monitoring event.

Great Lakes was not monitored as it was determined that they are also in the process of making corrections to how they capitalize interest. Once Great Lakes has completed the needed corrections they will be examined on this topic.

Monitoring Discoveries

Disparity in interest accrual formula. It was noted that the servicers don't all calculate interest accrual the exact same way. For example, some use 365 days per year and others use 365.25 to account for leap year. An analysis of this discovery will be prepared and provided to senior management for consideration in the requirements outlined in the servicing re-compete.

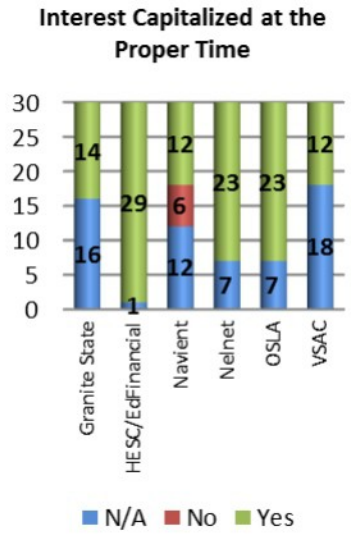
Impact Analysis documents. Sometimes during the validation process of a CR, servicers will submit documentation showing their processes as they relate to the subject matter of the CR. In this case, Navient outlined their interest capitalization process in the Impact Analysis documents for CR 2785. While this process was different than FSA's intent for interest capitalization, the process was approved (with the understanding that it would be changed by 2785). This means until CR 2785 is implemented fully, at least one servicer has a different process for interest capitalization. If servicers do not receive feedback that their process is incorrect, they assume it is validated and continue the process as provided to FSA.

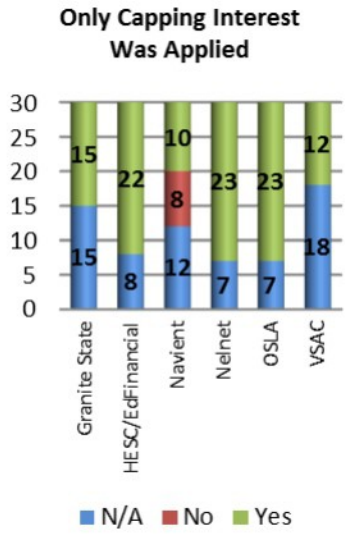
Snapshot Summary

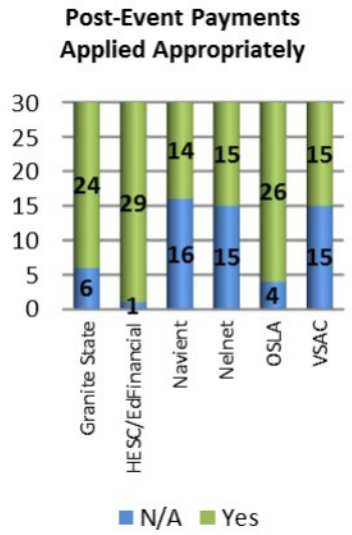
Primary Monitoring Topic: **Interest Capitalization**	• **180** borrowers reviewed

Primary Component

- To determine if the servicer appropriately capitalized accrued interest, and did not capitalize non-capping accrued interest.







Overall Observation Summary

All servicers fared well in this review.

Resolution Needed/Recommendations

None.

Potential Risk

- Borrowers not receiving equitable servicing.
- Incorrect account balances.
- Borrower dissatisfaction.

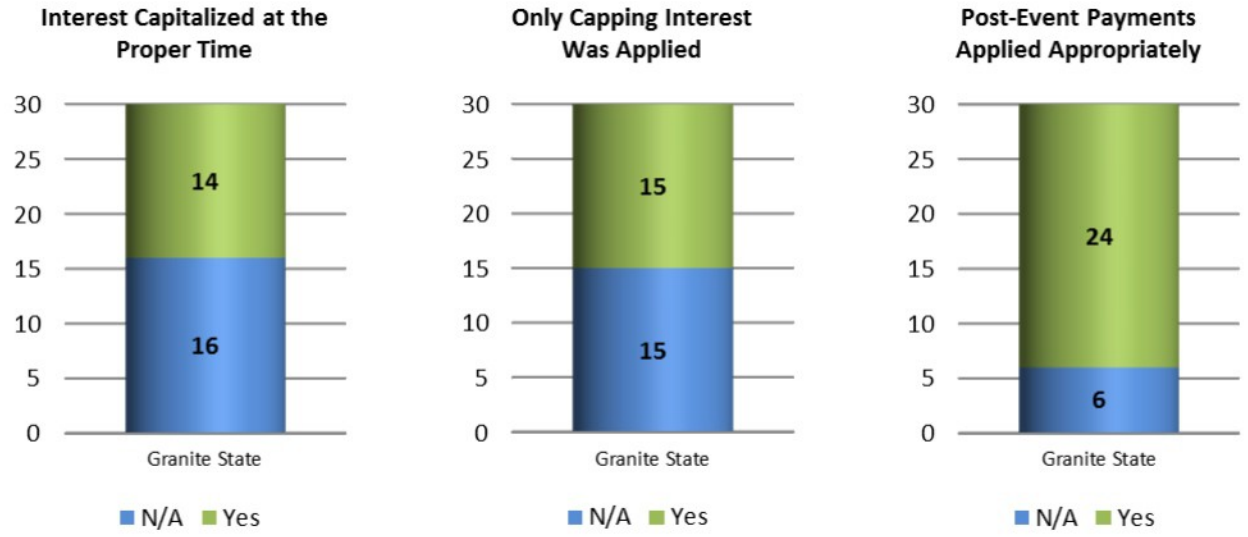
Core Items

	Granite State	HESC/EdFinancial	Navient	Nelnet	OSLA	VSAC
Service History and Privacy Policy	✓	✓	✓	✓	✓	✓
Loans > Than 360 Delinquent (Outside of Exceptions)	✓	✓	✓	✓	✓	✓
Deferment and Forbearance Type and time Used	✓	✓	✓	✓	✓	✓
Principal & Interest Amount and Rate	✓	✓	✓	✓	✓	✓
NSLDS Review	✓	✓	✓	✓	✓	✓
Military Benefits Applied	✓	✓	✓	✓	✓	✓
Transfer of TPD/PSLF to New Servicer	✓	✓	✓	✓	✓	✓
NSLDS Review	✓	✓	✓	✓	✓	✓
Due Diligence	✓	✓	✓	✓	✓	✓
Payment Plan Selection/Income Driven Repayment Plan Documents	✓	✓	✓	✓	✓	✓
Specialty Claims	✓	✓	✓	✓	✓	✓

Servicer Reports

GRANITE STATE 7
HESC/EDFINANCIAL 8
NAVIENT 9
NELNET 10
OSLA 11
VSAC 12

Granite State	
Interest Capitalization	Monitors: B. Wallace & K. Coates



Monitoring Summary

All 30 accounts passed review.

Resolution Needed/Recommendations

None.

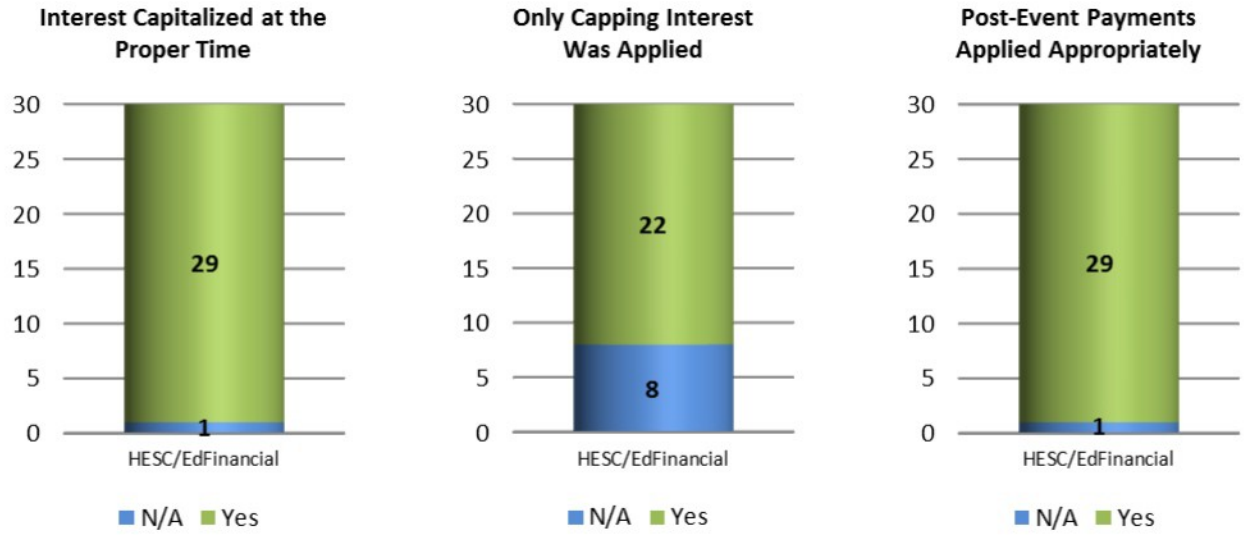
Potential Risk

None.

Granite State Comment on Report

Granite State did not have any comments on this report.

HESC/EdFinancial	
Interest Capitalization	Monitor: S. Young



Monitoring Summary

All 30 accounts passed review.

Resolution Needed/Recommendations

None.

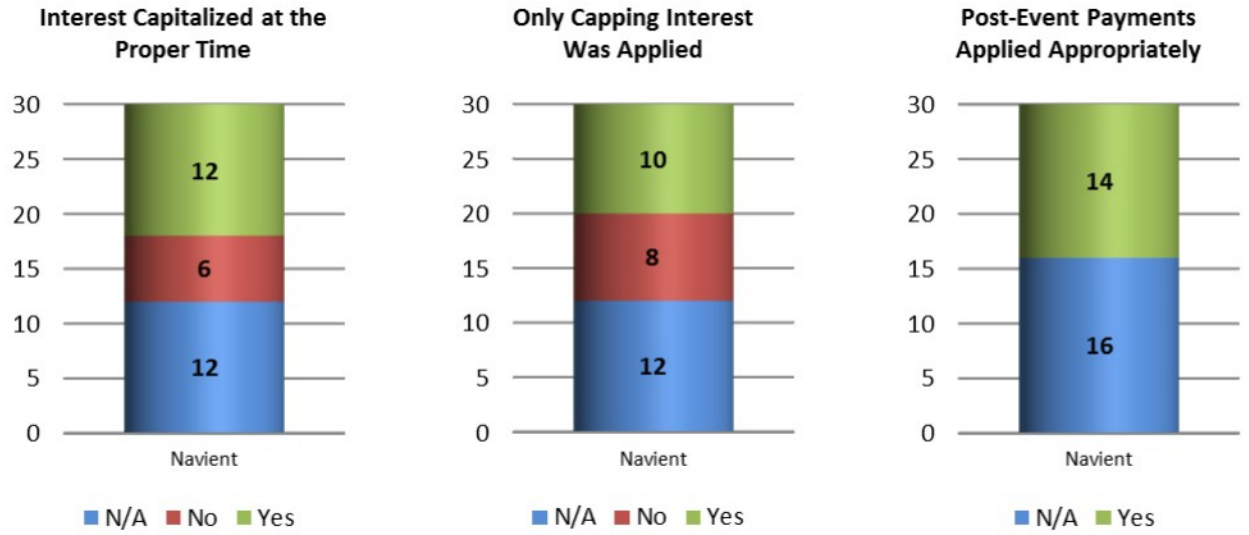
Potential Risk

None.

HESC/EdFinancial Comment on Report

HESC/EdFinancial did not have any comments on this report.

Navient	
Interest Capitalization	Monitor: J. Vann



Monitoring Summary

All 30 accounts passed review.

Observations

Observation 1 – On six accounts, Navient capitalized interest between back-to-back events instead of at the end of the last event. While this is different from the Department's intent, FSA approved the process as part of Navient's Impact Analysis documents for CR 2785.

Observation 2 – On eight accounts, Navient added together and capitalized interest from both capping and non-capping events. While this is different from the Department's intent, FSA approved the process as part of Navient's Impact Analysis documents for CR 2785.

Resolution Needed/Recommendations

As part of the requirements for CR 2785, Navient is adjusting their system so that it will separate capping and non-capping interest. This system change should resolve any concern with the above observations.

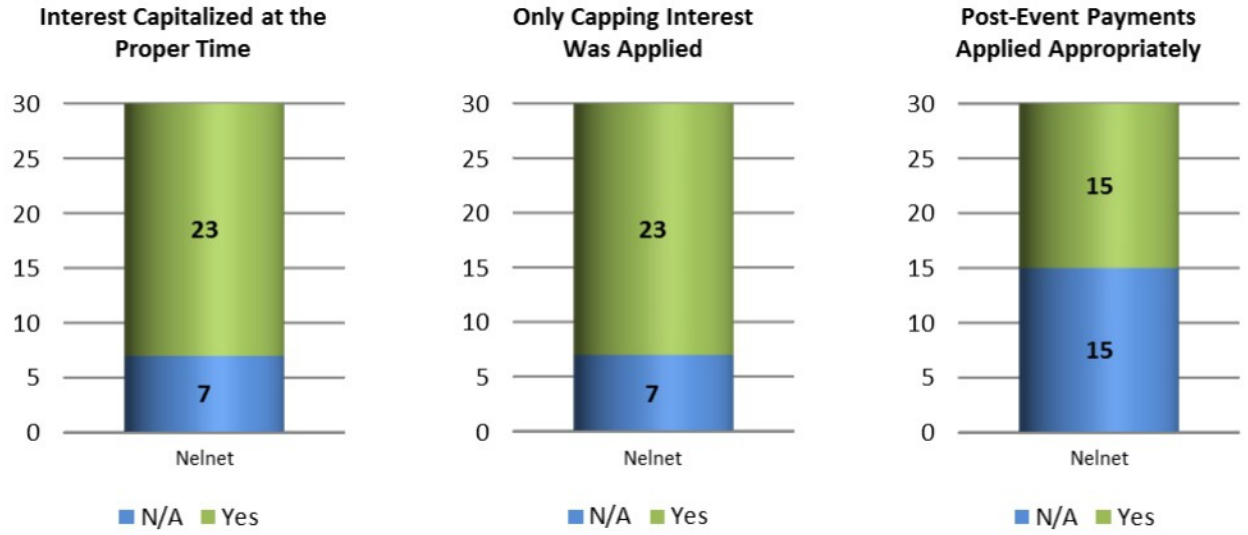
Potential Risk

Interest capitalization would vary from servicer to servicer.

Navient Comment on Report

Navient capitalized interest as described and approved by FSA in the Impact Analysis dated 6.23.15 for CR 2785. Additionally, Navient will make the applicable system adjustments upon FSA approval of CR 2785.

Nelnet	
Interest Capitalization	Monitors: M. Wood, L. Honemann, & J. Vann



Monitoring Summary

All 30 accounts passed review.

Resolution Needed/Recommendations

None.

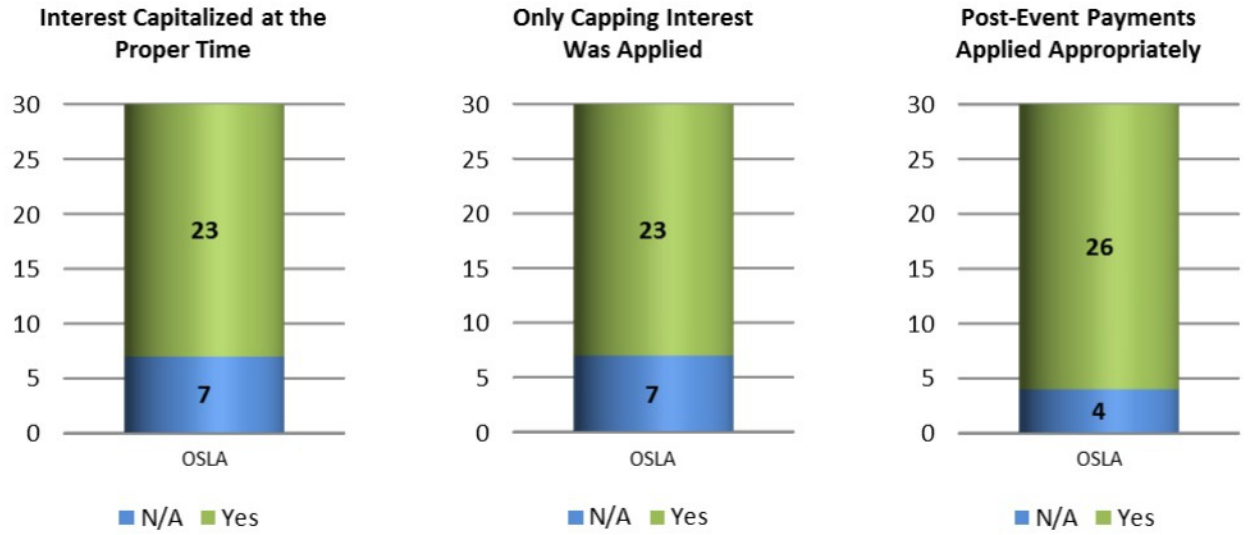
Potential Risk

None.

Nelnet Comment on Report

Nelnet did not have any comments on this report.

OSLA	
Interest Capitalization	Monitor: D. Fogle



Monitoring Summary

All 30 accounts passed review.

Resolution Needed/Recommendations

None.

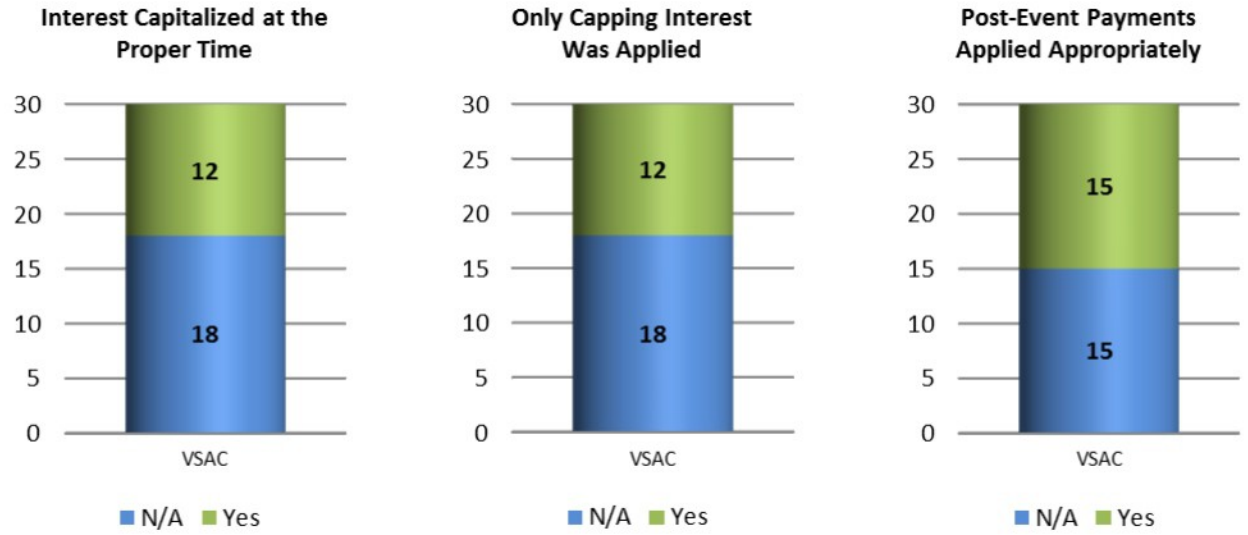
Potential Risk

None.

OSLA Comment on Report

There are no discrepancies with the report to note.

VSAC	
Interest Capitalization	Monitor: L. Honemann



Monitoring Summary

All 30 accounts passed review.

Potential Risk

None.

Resolution Needed/Recommendations

None.

VSAC Comment on Report

VSAC did not have any comments on this report.

Methodology

REVIEW OBJECTIVE

To determine if the servicer appropriately capitalized accrued interest, and did not capitalize non-capitalizing accrued interest.

STANDARDS

Statutory & Regulatory

The regulations governing interest capitalization are:

- 34 CFR 682.202(b)
- 34 CFR 685.202(b)

Change Request

- CR 1492 – 08/04/2011 – Capitalization Practices

METHODOLOGY

Sampling

Random selection from a list of accounts where the servicer denied a loan discharge or forgiveness. Random selection means choosing in a way so that all items in the population have an equal chance of being selected. We accomplished random selection using random numbers generated in a Microsoft Excel worksheet.

The sample size was set at 30 accounts[1]. We requested sample accounts from the servicers in September 2015. We sought to identify borrowers who were actively making payments prior to entering into forbearance, and whose forbearance ended prior to 06/30/2015 so as not to crossover the 07/01/2015 interest rate change date.

We identified four different sets of borrowers. Those that were in a:

- Non-capitalizing forbearance,
- Non-capitalizing forbearance, immediately followed by a capitalizing forbearance,
- Capitalizing forbearance, immediately followed by a non-capitalizing forbearance,
- Back-to-back capitalizing forbearances.

Materials Requested

We requested borrower monetary histories, servicing histories, and forbearance histories for each borrower.

[1] While we request 35 samples, we only use 30 samples in case a sample should not meet our methodology.

Testing

We performed the following tests to meet our review objectives:

- Reviewed monetary histories.
    - Determined if amount of accrued interest was accurate.
    - Validated capitalizing events.
    - Validated non-capitalizing events.

Review Limitation

We limited review to two loans per account, and reviewed the most current capitalizing/non-capitalizing event.

REPORTING

Terms used in reporting:

- *Discovery* – An error or failure related to the monitoring topic. Resolution came about specifically from the monitor bringing the issue to the servicer's attention.
- *Observation* – Something not related to the monitoring topic observed in the review process that warrants being mentioned in the report.

From: Bubel, Susan
Sent: 5 May 2017 20:59:55 +0000
To: Battle, Cynthia;Jackson, Lateata;Foss, Ian
Cc: Chialastri, Taneka
Subject: PHEAA CR2785
Attachments: Comments on PHEAA CR 2785 Validation May 2017.docx

Good Afternoon All,

So I was able to spend some time reviewing PHEAA's resubmission of artifacts and unfortunately I have several unanswered questions on these also. Here are the comments on the first five. Ten more scenarios to review. I plan to have those reviewed and comments to share with PHEAA and the other folks from FSA that may be interested by COB Monday. Hoping by sharing with PHEAA early they will come prepared with responses Thursday morning. If they can't since they are already implemented, do we just ask them to try to produce artifacts again?

Have a great weekend and talk to you all on Monday.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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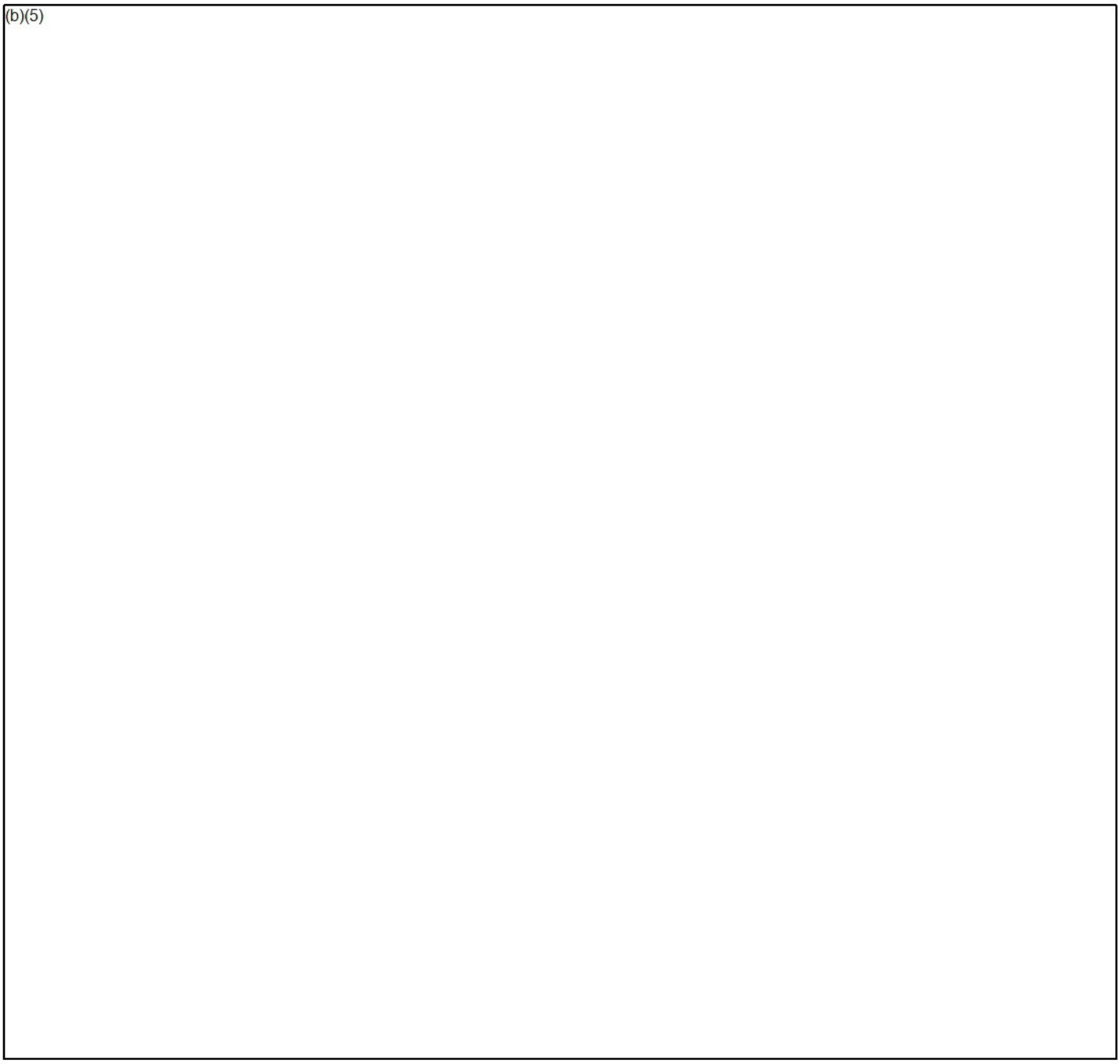
Comments on PHEAA CR 2785 Validation scenario (May 2017)

Scenario #1:

(b)(5)

(b)(5)

(b)(5)

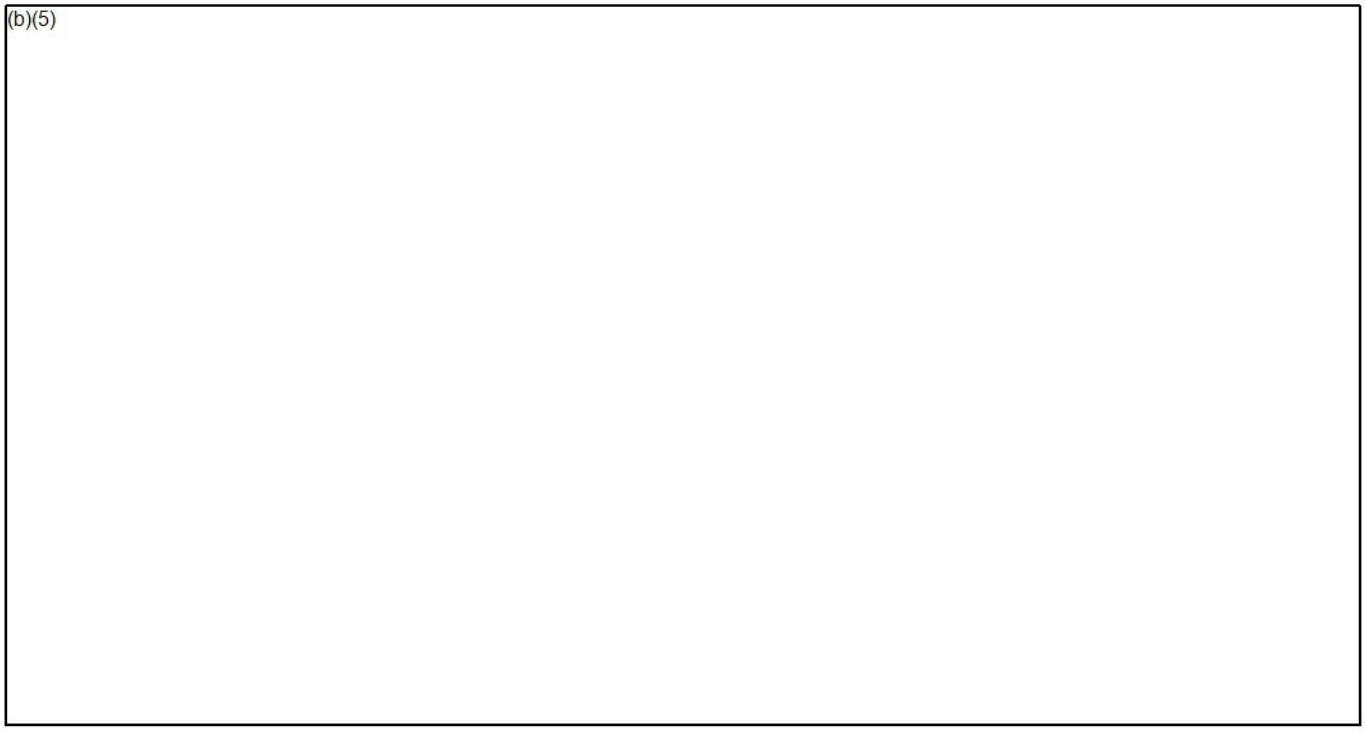

(b)(5)

Scenario #3:

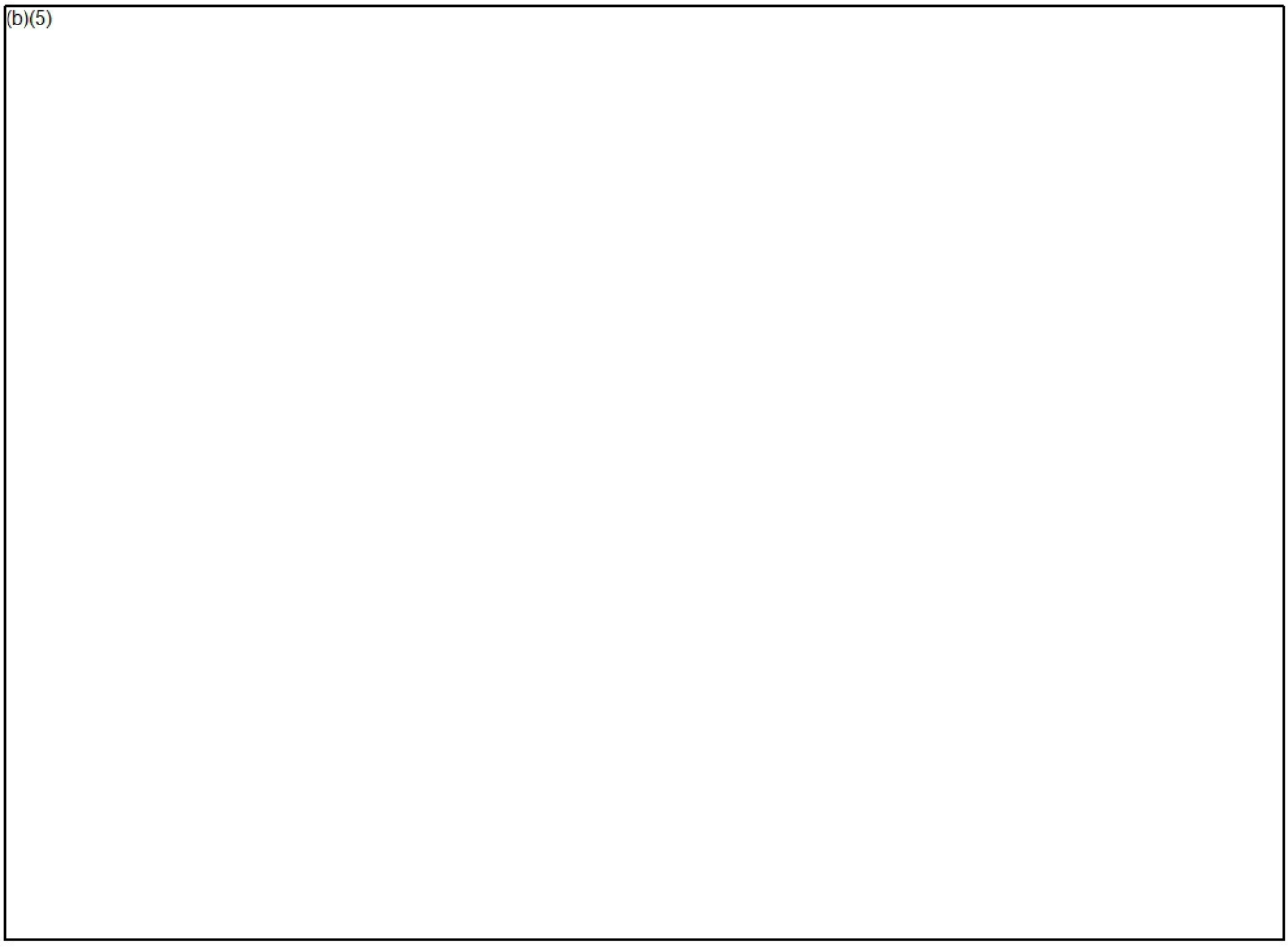
(b)(5)

Scenario #4:

(b)(5)



Scenario #5:



From: Ryder, Jennifer
Sent: 12 Aug 2014 09:49:07 -0500
To: Foss, Ian;Utz, Jon
Cc: Trejo, Rosa;Winston, Colette
Subject: Plan Titles: Capitalizing the "p" and "repayment"

Hey guys, Rosa Trejo and I are looking at the IDR e-App we sent you for comment. We're wondering if we need to capitalize the "p" in plan so that all the repayment plan names are initial-capped. E.g. paper IDR request says "IDR plan" or "Pay As You Earn plan" but in the master promissory note, we say "IDR Plan" and "Pay As You Earn Repayment Plan." Also, studentaid.gov uses "IDR Plan."

This would go for all repayment plan titles – we would include "Repayment" and initial cap everything:

Standard Repayment Plan
Pay As You Earn Repayment Plan
Etc…

So, the electronic IDR e-App would be different from the paper request. Is that acceptable for on-line consistency, or do we need to exactly mirror the paper request?

Jennifer Ryder
Management and Program Analyst

Office: (202)377-4295
Off-Site: (571) 239-9170
jennifer.ryder@ed.gov
StudentAid.gov

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From: Foss, Ian
Sent: 1 Jun 2015 17:25:08 +0000
To: Isett, Christine A.
Cc: May, Todd
Subject: Re: Capitalization of interest on FFEL loans

Hi Christine,

Direct him to 34 CFR 682.202. I think subsection (b) is about capitalization.

We can't speak to how frequently lenders capitalize within the bounds set by the regulations with any authority, which do generally *permit* a lender to capitalize as frequently as quarterly during deferment and forbearance. It is my understanding that many lenders do not capitalize that frequently, and instead wait until the deferment or forbearance is over.

Ian

On Mon, Jun 1, 2015 at 13:21, Isett, Christine A. wrote:

> Hi Ian,
>
> In the email below, a requestor asks how frequently is interest capitalized on FFELP loans?
>
> He/She (?) also asks about the citation and asks if we're able to confirm if lenders should capitalize interest at the quarterly frequency.
>
> Are you the right person to ask in PLI?
>
> Thank you,
>
> Christine
>
> -----Original Message-----
>
> From: (b)(6) cmu.edu [mailto: (b)(6) cmu.edu]
>
> Sent: Friday, May 29, 2015 4:51 PM
>
> To: Greene, Chris
>
> Cc: Isett, Christine A.
>
> Subject: Capitalization of interest on FFEL loans
>
> Dear Mr. Green and Ms. Isett,

I am a PhD student at Carnegie Mellon University who will start employment at the Office of the Comptroller of the Currency in September. I am working on a project with Adam Ashcraft at the Federal Reserve Bank of New York.

We are working on a project with loan level data provided by a credit bureau. Our data does not directly identify whether a loan is federal or private. In order to jointly test the validity of our classification of loans as either federal or private and our method to infer interest rate from balance and payment variables, we would need an answer to the following question: how frequently is interest capitalized on FFELP loans?

So far, my search for an answer has only produced a partially satisfying

answer: interest can be capitalized no more frequently than quarterly on PLUS FFELP loans. The information could be found in 20 U.S. Code § 1078–2.

I have not been able to find similar information for Stafford and Consolidation Loans. Could you please direct me to sources that contain the desired information?

Finally, the Act is worded as only placing a lower bound on the frequency of the capitalization of interest by FFELP lenders. An argument can be made, that the most frequent the capitalization of interest, the higher the cash flows needed to repay a loan in full, therefore, lenders should capitalize interest at the quarterly frequency. Does your knowledge of industry practices allows you to confirm that this is the case?

Many thanks in advance for you effort at answering our questions.

(b)(6)

Carnegie Mellon University

(b)(6)

From: Isett, Christine A.
Sent: 1 Jun 2015 12:51:09 -0500
To: Foss, Ian
Cc: May, Todd
Subject: RE: Capitalization of interest on FFEL loans

Thank you, Ian!
From: Foss, Ian
Sent: Monday, June 01, 2015 1:25 PM
To: Isett, Christine A.
Cc: May, Todd
Subject: Re: Capitalization of interest on FFEL loans

Hi Christine,

Direct him to 34 CFR 682.202. I think subsection (b) is about capitalization.

We can't speak to how frequently lenders capitalize within the bounds set by the regulations with any authority, which do generally *permit* a lender to capitalize as frequently as quarterly during deferment and forbearance. It is my understanding that many lenders do not capitalize that frequently, and instead wait until the deferment or forbearance is over.

Ian

On Mon, Jun 1, 2015 at 13:21, Isett, Christine A. <Christine.Isett@ed.gov> wrote:

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>
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>
> He/She (?) also asks about the citation and asks if we're able to confirm if lenders should capitalize interest at the quarterly frequency.
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>
> Christine
>
> -----Original Message-----
>
> From: (b)(6) cmu.edu [mailto (b)(6) cmu.edu]
>
> Sent: Friday, May 29, 2015 4:51 PM
>
> To: Greene, Chris

Cc: Isett, Christine A.

Subject: Capitalization of interest on FFEL loans

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Many thanks in advance for you effort at answering our questions.

(b)(6)

Carnegie Mellon University

(b)(6)

From: Utz, Jon
Sent: 5 Oct 2015 18:51:53 +0000
To: Foss, Ian
Subject: RE: 10% cap on capitalization

(b)(5)

From: Foss, Ian
Sent: Monday, October 05, 2015 2:46 PM
To: Utz, Jon
Subject: Re: 10% cap on capitalization

(b)(5)

From: "Utz, Jon"
Date: Monday, October 5, 2015 at 14:41
To: Ian Foss
Subject: RE: 10% cap on capitalization

(b)(5)

-----Original Message-----
From: Foss, Ian
Sent: Monday, October 05, 2015 1:31 PM
To: Utz, Jon
Subject: 10% cap on capitalization
Hi Jon,

(b)(5)

Ian

From: Bubel, Susan
Sent: 9 Mar 2016 17:12:52 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian
Subject: RE: 2785 Capping CR Questions from Nelnet
Attachments: CR2785 Q&A Preview_030916.zip

Sorry for the delay. Thanks in advance for taking the time to discuss these ☺

Talk to you all later.

Sue

-----Original Appointment-----
From: Bubel, Susan
Sent: Wednesday, March 09, 2016 9:32 AM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: 2785 Capping CR Questions from Nelnet
When: Wednesday, March 09, 2016 3:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Dial in: 1-877-491-8399 PC 2968509

Sorry extending to 4 (a WHOLE hour) as I am up to 18 questions. I will have them out to you all by noon with my draft responses.

Thanks,

Sue

Conference:
Participant Code: (b)(6)

Good Morning guys. I'd like to get together just for a bit to go over Nelnet's questions (9)and my responses. We have not talked in detail on capping in quite a while so I want to be sure we are all in the same place prior to tomorrow's meeting.

I am pulling together a document that includes the questions, the references, and my draft responses and will get you all that documentation prior to the meeting. I am hoping it should only take 30 minutes to discuss.

Thanks in advance ☺ Happy Hump Day!!

#	Servicer	Req.	Clarification Questions	FSA Response
1	Nelnet		(b)(5)	
2	Nelnet			
3	PHEAA			
4	PHEAA			
5	PHEAA			
6	Navient			
7	Navient			
8	Navient			

9	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	(b)(5)
Nelnet			
	Nelnet	5069 5066.02	
	Nelnet	Job Aid 2/25/16 Ex #6, #7	
	Nelnet	5065	
	Nelnet	Job Aid 2/25/16 Ex #3	
	Nelnet	Job Aid 2/25/16 Ex #1	
	Nelnet	Job Aid 2/25/16 Ex #2	
	Nelnet	Job Aid 2/25/16 Ex #3	

Nelnet	Job Aid 2/25/16 Ex #8 5072.01	(b)(5)

Page 0876

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0877

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0878

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0879

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0880

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0881

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0882

Withheld pursuant to exemption

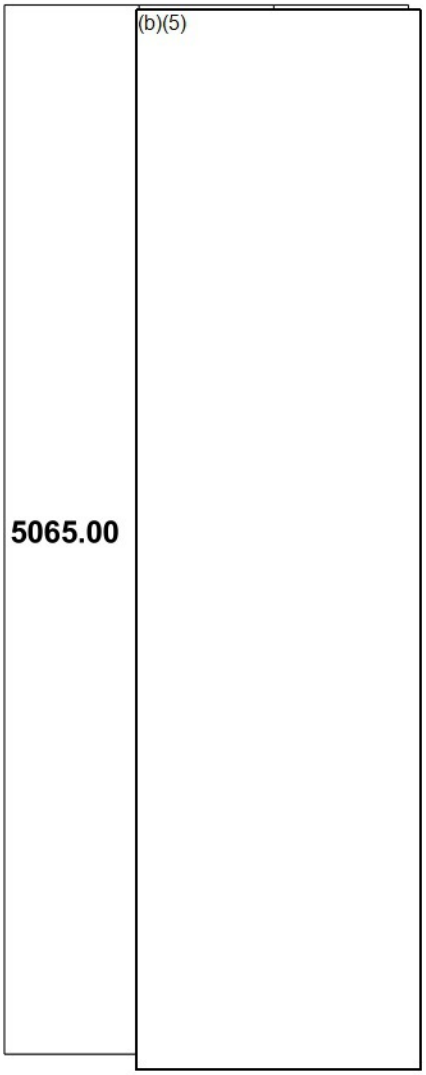
(b)(5)

of the Freedom of Information and Privacy Act

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		
5066.00		
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		

5068.03	(b)(5)
5068.04	
5068.05	
5068.06	
5068.07	
5068.08	
5068.09	
5069.00	
5069.01	
18001.03	
5070	
5071	
5072	
5072.01	


(b)(5)
5065.00

From: (b)(4); (b)(6)
Sent: 30 Jan 2017 16:30:09 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia
Cc: CS Change Control;Buendia, Mario;Brown, Lenny
Subject: RE: 2785 CS 4 OF 5
Attachments: 2785 CS 4 of 5.zip

Good Morning,

Attached is CornerStone's Artifacts for FSA CR 2785 (4 of 5) The documents have been encrypted with the standard password.

Please let us know if you have any questions.

Thank you!

(b)(4); (b)(6)

--

From: (b)(4); (b)(6)
Sent: 11 May 2017 17:30:47 +0000
To: Bubel, Susan
Cc: Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;(b)(4); (b)(6)
Subject: RE: 2785 Follow Up

Good Afternoon, Yes MOHELA considers a Reduced Payment forbearance a capping event and we would capitalize the outstanding capable interest.

Please let us know if you have any questions or need additional information.

Thanks,

(b)(4); (b)(6)
Federal Contract and Compliance Officer | MOHELA
633 Spirit Drive | Chesterfield MO 63005
(b)(6)
(b)(4); (b)(6)@mohela.com

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Thursday, May 11, 2017 9:40 AM
To: (b)(4); (b)(6)@mohela.com>;(b)(4); (b)(6)
(b)(4); (b)(6)@MOHELA.com>(b)(4); (b)(6)@MOHELA.com>
Cc: Jackson, Lateata <Lateata.Jackson@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>
Subject: 2785 Follow Up

Good Morning,

I have a quick follow up question for you. Do you folks consider a Reduced Payment forbearance a capping event? At the end of the Reduced Payment forbearance do you folks cap the outstanding capable interest?

Thanks,

Sue

* *
The information in this email is confidential and may be legally privileged. If you have received this email in error please notify the sender immediately. MOHELA reserves the right to record all email sent to and from this address and may, at its sole discretion, archive, monitor and/or review said email. MOHELA does not accept responsibility for any loss or damage arising from

the use of this email or attachments. Any views or opinions expressed in this email are solely those of the author and do not necessarily represent those of MOHELA.
* *

From: Bubel, Susan
Sent: 27 Jan 2017 13:26:50 +0000
To: (b)(4); (b)(6) CM_Validation
Cc: Samuels, Shaun;Buendia, Mario;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Grp.FC-CR
Subject: RE: 2785 MO 3 of 4 - Artifacts

So for the scenario # 14 that we discussed in the review, are you confirming that it did not reflect back to back scenario?

The dates of the deferments and forbearances in your artifact screenshots were:

- Economic Hardship Deferment : 04/04/17 – 06/15/17
- General Forbearance 07/15/17 – 08/15/17
- National Disaster Forbearance 09/15/17 – 10/15/17

Scenario #14 was for "Back to Back capping and non-capping events with payments made during". I did not prescribe the dates to allow you flexibility with your systems and aging, but from your explanation of how back to back events are recognized, the artifact for scenario #14 does not demonstrate back to back functionality. I have not finished reviewing your artifacts, so if there are others (#12 and #13 possibly) that should have been back to back but processed with a gap of 30 days or more that your system would not have recognized as back to back those would need to be reproduced as well as #14.

Please let me know if my understanding of your explanation is correct and if so when you anticipate being able to provide the updated artifact(s)

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
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From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @mohela.com]
Sent: Thursday, January 26, 2017 6:11 PM
To: Bubel, Susan; CM_Validation
Cc: Samuels, Shaun; Buendia, Mario; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Grp.FC-CR
Subject: RE: 2785 MO 3 of 4 - Artifacts

Good Afternoon Sue,

I apologize for the delay but we wanted to reach out to PHEAA to confirm the system logic regarding back-to-back options. From the servicing system perspective, if the gap is 30 days or if a bill exists within

the gap; we do not consider the periods contiguous. If the gap is less than 30 days we do consider it contiguous.

Please let me know if you have any other questions or need additional information.

Thanks,

(b)(4); (b)(6)
Federal Contract Compliance Analyst | MOHELA
633 Spirit Drive | Chesterfield MO 63005
(b)(6)
(b)(4); (b)(6) @mohela.com

From: (b)(4); (b)(6)
Sent: Wednesday, January 25, 2017 1:23 PM
To: 'Bubel, Susan' <Susan.Bubel@ed.gov>; CM_Validation <CM_Validation@ed.gov>
Cc: Samuels, Shaun <Shaun.Samuels@ed.gov>; Buendia, Mario <Mario.Buendia@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <mark.walsh@ed.gov>; Grp.FC-CR <grp.fc-cr@MOHELA.com>
Subject: RE: 2785 MO 3 of 4 - Artifacts

Good Afternoon Sue,

We are reviewing your questions below and will have an answer for them shortly.

Thanks,

(b)(4); (b)(6)
Federal Contract Compliance Analyst | MOHELA
633 Spirit Drive | Chesterfield MO 63005
(b)(6)
(b)(4); (b)(6) @mohela.com

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Wednesday, January 25, 2017 11:56 AM
To: (b)(4); (b)(6) @mohela.com>; CM_Validation <CM_Validation@ed.gov>
Cc: Samuels, Shaun <Shaun.Samuels@ed.gov>; Buendia, Mario <Mario.Buendia@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <mark.walsh@ed.gov>; Grp.FC-CR <grp.fc-cr@MOHELA.com>
Subject: RE: 2785 MO 3 of 4 - Artifacts

Quick question, looking at Scenario #14 it does not look like you applied the deferment, forbearance and non-capping forbearance back to back as the scenario indicated, what is the window of time considered back to back on your system? Each of these were 30 days apart and do not appear to be considered back to back.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION | PROUD SPONSOR of the AMERICAN MIND™

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @mohela.com]
Sent: Monday, January 16, 2017 7:22 PM
To: CM_Validation
Cc: Samuels, Shaun; Buendia, Mario; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Grp.FC-CR
Subject: 2785 MO 3 of 4 - Artifacts

Good Evening,

Attached is the WinZip file containing MOHELA's validation artifacts for CR 2785. The provided password has been used to encrypt this file.

Please let me know if you have any questions or need additional information.

Thanks,

(b)(4); (b)(6)
Federal Contract Compliance Analyst | MOHELA
633 Spirit Drive | Chesterfield MO 63005
(b)(6)
(b)(4); (b)(6) @mohela.com

* * * *

From: Jackson, Lateata
Sent: 30 Jun 2017 10:27:32 +0000
To: (b)(4); (b)(6) CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: (b)(4); (b)(6) ;Bubel, Susan;Battle, Cynthia;Chialastri, Taneka;Leavitt, Katharine
Subject: RE: 2785_3835 NN 1 of 1
Attachments: RE: 2785_3835 NN 1 of 1, Walkthrough.zip

FSA approves the attached Artifacts and Compliance Statement for CRs 2785 and 3835. FSA anticipates Nelnet's implementation to be July 14, 2017.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Monday, June 05, 2017 1:01 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: 2785_3835 NN 1 of 1

Good Afternoon,

Attached are Nelnet's follow up items from the walkthrough and revised validation artifacts for CR's 2785 and 3835.

Revisions to the validation artifacts:

Scenario 1

- No changes

Scenario 2

- (b)(5)
-

Scenario 3

- (b)(5)

- (b)(5)
-

Scenario 4

- No changes

Scenario 5

- (b)(5)
-
-
-

Scenario 6

- (b)(5)
-

Scenario 7

- No changes

Scenario 8

- No changes

Scenario 9

- (b)(5)

Scenario 10

- (b)(5)

Scenario 11

- (b)(5)

Scenario 12

- No changes

Scenario 13

- No changes

Scenario 14

- (b)(5)

Scenario 15

- No changes

The password will follow.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) @Nelnet.net
nelnet.com

From: (b)(4); (b)(6)
Sent: 19 Jun 2017 21:35:54 +0000
To: Bubel, Susan;Washington, Patrice
Cc: (b)(4); (b)(6) Dragoo, Janet;Battle, Cynthia;Jackson, Lateata
Subject: RE: 2785_3835 NN 1 of 1
Attachments: image001.emz, oledata.mso

Thanks Sue, I will check on Scenario 9.
As for the others, I have added the information below.

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Monday, June 19, 2017 4:24 PM
To: (b)(4); (b)(6) Washington, Patrice
Cc: (b)(4); (b)(6) Dragoo, Janet ; Battle, Cynthia ; Jackson, Lateata
Subject: RE: 2785_3835 NN 1 of 1
Importance: High

Good Evening,

(b)(5)

(b)(5)

Still reviewing the updated artifacts, but looks like the 3 bullets above are all that are outstanding.

Thanks,

Sue

Office: (202) 377-4389 |Mobile: (202) 256-5037

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Monday, June 19, 2017 5:09 PM
To: Bubel, Susan; Washington, Patrice
Cc: (b)(4); (b)(6) Dragoo, Janet
Subject: RE: 2785_3835 NN 1 of 1

Hi Sue,

Thanks again for taking my call this morning. I wanted to document Nelnet's understanding of our conversation today. Per our discussion, FSA has no concerns regarding the revised 2785 and 3835 artifacts submitted by Nelnet on 06/05 and we will be implementing as scheduled on 6/23.

Please notify us as soon as possible that you are in agreement with this, and we can begin the implementation process.

Thank you,

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: (b)(4); (b)(6)
Sent: Tuesday, June 13, 2017 10:16 AM
To: 'CM_Validation' <CM_Validation@ed.gov>; 'Jackson, Lateata' <Lateata.Jackson@ed.gov>; 'nikcola.yorkshire@ed.gov' <nikcola.yorkshire@ed.gov>; 'Kim, Bora' <Bora.Kim@ed.gov>; 'Foss, Ian' <Ian.Foss@ed.gov>; 'Battle, Cynthia' <Cynthia.Battle@ed.gov>; 'Chialastri, Taneka' <Taneka.Chialastri@ed.gov>; Lisa Oldre (Lisa.Oldre@ed.gov) <Lisa.Oldre@ed.gov>; 'Walsh, Mark' <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; 'Leavitt, Katharine' <Katharine.Leavitt@ed.gov>; 'Mitchell, Shayla' <Shayla.Mitchell@ed.gov>; 'McDonald, Katrina' <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6) @nelnet.net>
Subject: RE: 2785_3835 NN 1 of 1

Good Morning,

I wanted to verify if there is anything else that is needed or if there are any questions on the follow up items and revised validation artifacts sent on the 5th. Our proposed implementation date is Friday, June 23, 2017. We would like to propose an implementation date of Wednesday, June 21, 2017. This date is a scheduled release date.

Thank you,

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: (b)(4); (b)(6)
Sent: Monday, June 05, 2017 12:00 PM
To: 'CM_Validation' <CM_Validation@ed.gov>; 'Jackson, Lateata' <Lateata.Jackson@ed.gov>; 'nikcola.yorkshire@ed.gov' <nikcola.yorkshire@ed.gov>; 'Kim, Bora' <Bora.Kim@ed.gov>; 'Foss, Ian' <Ian.Foss@ed.gov>; 'Battle, Cynthia' <Cynthia.Battle@ed.gov>; 'Chialastri, Taneka' <Taneka.Chialastri@ed.gov>; Lisa Oldre (Lisa.Oldre@ed.gov) <Lisa.Oldre@ed.gov>; 'Walsh, Mark' <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; 'Leavitt, Katharine' <Katharine.Leavitt@ed.gov>; 'Mitchell, Shayla' <Shayla.Mitchell@ed.gov>; 'McDonald, Katrina' <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6) @nelnet.net>
Subject: 2785_3835 NN 1 of 1

Good Afternoon,

Attached are Nelnet's follow up items from the walkthrough and revised validation artifacts for CR's 2785 and 3835.

Revisions to the validation artifacts:

Scenario 1

- No changes

Scenario 2

- (b)(5)

Scenario 3

- (b)(5)

Scenario 4

- No changes

Scenario 5

- (b)(5)

Scenario 6

- (b)(5)

Scenario 7

- No changes

Scenario 8

- No changes

Scenario 9

- (b)(5)

Scenario 10

- (b)(5)

Scenario 11

- (b)(5)

Scenario 12

- No changes

Scenario 13

- No changes

Scenario 14

- (b)(5)

Scenario 15

- No changes

The password will follow.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) @Nelnet.net
nelnet.com

From: (b)(4); (b)(6)
Sent: 13 Jun 2017 15:16:28 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: RE: 2785_3835 NN 1 of 1

Good Morning,

I wanted to verify if there is anything else that is needed or if there are any questions on the follow up items and revised validation artifacts sent on the 5th. Our proposed implementation date is Friday, June 23, 2017. We would like to propose an implementation date of Wednesday, June 21, 2017. This date is a scheduled release date.

Thank you,

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: (b)(4); (b)(6)
Sent: Monday, June 05, 2017 12:00 PM
To: 'CM_Validation' <CM_Validation@ed.gov>; 'Jackson, Lateata' <Lateata.Jackson@ed.gov>; 'nikcola.yorkshire@ed.gov' <nikcola.yorkshire@ed.gov>; 'Kim, Bora' <Bora.Kim@ed.gov>; 'Foss, Ian' <Ian.Foss@ed.gov>; 'Battle, Cynthia' <Cynthia.Battle@ed.gov>; 'Chialastri, Taneka' <Taneka.Chialastri@ed.gov>; Lisa Oldre (Lisa.Oldre@ed.gov) <Lisa.Oldre@ed.gov>; 'Walsh, Mark' <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; 'Leavitt, Katharine' <Katharine.Leavitt@ed.gov>; 'Mitchell, Shayla' <Shayla.Mitchell@ed.gov>; 'McDonald, Katrina' <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6)@nelnet.net>
Subject: 2785_3835 NN 1 of 1

Good Afternoon,

Attached are Nelnet's follow up items from the walkthrough and revised validation artifacts for CR's 2785 and 3835.

Revisions to the validation artifacts:

Scenario 1

- No changes

Scenario 2

- (b)(5)
-

Scenario 3

- (b)(5)
-
-
-

Scenario 4

- No changes

Scenario 5

- (b)(5)
-
-
-

Scenario 6

- (b)(5)
-

Scenario 7

- No changes

Scenario 8

- No changes

Scenario 9

- (b)(5)

Scenario 10

- (b)(5)

Scenario 11

- (b)(5)

Scenario 12

- No changes

Scenario 13

- No changes

Scenario 14

- (b)(5)

Scenario 15

- No changes

The password will follow.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) Nelnet.net
nelnet.com

From: (b)(4); (b)(6)
Sent: 5 Jun 2017 17:00:53 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: RE: 2785_3835 NN 1 of 1

(b)(6)

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: (b)(4); (b)(6)
Sent: Monday, June 05, 2017 12:00 PM
To: 'CM_Validation' <CM_Validation@ed.gov>; 'Jackson, Lateata' <Lateata.Jackson@ed.gov>; 'nikcola.yorkshire@ed.gov' <nikcola.yorkshire@ed.gov>; 'Kim, Bora' <Bora.Kim@ed.gov>; 'Foss, Ian' <Ian.Foss@ed.gov>; 'Battle, Cynthia' <Cynthia.Battle@ed.gov>; 'Chialastri, Taneka' <Taneka.Chialastri@ed.gov>; Lisa Oldre (Lisa.Oldre@ed.gov) <Lisa.Oldre@ed.gov>; 'Walsh, Mark' <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; 'Leavitt, Katharine' <Katharine.Leavitt@ed.gov>; 'Mitchell, Shayla' <Shayla.Mitchell@ed.gov>; 'McDonald, Katrina' <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6) @nelnet.net>
Subject: 2785_3835 NN 1 of 1

Good Afternoon,

Attached are Nelnet's follow up items from the walkthrough and revised validation artifacts for CR's 2785 and 3835.

Revisions to the validation artifacts:

Scenario 1

- No changes

Scenario 2

- (b)(5)
-

Scenario 3

- (b)(5)
-
-

Scenario 4

- No changes

Scenario 5

- (b)(5)
-
-
-

Scenario 6

- (b)(5)
-

Scenario 7

- No changes

Scenario 8

- No changes

Scenario 9

- (b)(5)

Scenario 10

- (b)(5)

Scenario 11

- (b)(5)

Scenario 12

- No changes

Scenario 13

- No changes

Scenario 14

- (b)(5)

Scenario 15

- No changes

The password will follow.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) Nelnet.net
nelnet.com

From: (b)(4); (b)(6)
Sent: 24 May 2017 19:44:39 +0000
To: Bubel, Susan;CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: RE: 2785_3835 NN 1 of 1

Great news! Thanks for confirming.

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Wednesday, May 24, 2017 2:44 PM
To: (b)(4); (b)(6) @nelnet.net>; CM_Validation <CM_Validation@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <Mark.Walsh@ed.gov>; Leavitt, Katharine <Katharine.Leavitt@ed.gov>; Mitchell, Shayla <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6) @nelnet.net>
Subject: Re: 2785_3835 NN 1 of 1

Sent too fast the file just came in , it was just behind the password.

Thanks,

Sue

From: Bubel, Susan
Sent: Wednesday, May 24, 2017 3:42 PM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: Re: 2785_3835 NN 1 of 1

I did not see the file come through. Anyone else at FSA see it ?

Thanks,

Sue

From: (b)(4); (b)(6) @nelnet.net>
Sent: Wednesday, May 24, 2017 3:41 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: RE: 2785_3835 NN 1 of 1

(b)(6)

(b)(4); (b)(6)

O: (b)(6)
C: (b)(6)

From: (b)(4); (b)(6)
Sent: Wednesday, May 24, 2017 2:41 PM
To: 'CM_Validation' <CM_Validation@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>; 'nikcola.yorkshire@ed.gov' <nikcola.yorkshire@ed.gov>; 'Kim, Bora' <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Lisa Oldre (Lisa.Oldre@ed.gov) <Lisa.Oldre@ed.gov>; 'Walsh, Mark' <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; 'Leavitt, Katharine' <Katharine.Leavitt@ed.gov>; 'Mitchell, Shayla' <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6) @nelnet.net>
Subject: 2785_3835 NN 1 of 1

Good Afternoon,

Attached are Nelnet's pre-artifacts and validation artifacts for CR's 2785 and 3835.

The password will follow.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) Nelnet.net
nelnet.com

From: Bubel, Susan
Sent: 24 May 2017 19:44:50 +0000
To: (b)(4); (b)(6) CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: Re: 2785_3835 NN 1 of 1

No need I got it

From: (b)(4); (b)(6) @nelnet.net>
Sent: Wednesday, May 24, 2017 3:43 PM
To: Bubel, Susan; CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: RE: 2785_3835 NN 1 of 1

I am going to try and decrease the size and resend it.

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Wednesday, May 24, 2017 2:43 PM
To: (b)(4); (b)(6) @nelnet.net>; CM_Validation <CM_Validation@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <Mark.Walsh@ed.gov>; Leavitt, Katharine <Katharine.Leavitt@ed.gov>; Mitchell, Shayla <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6) @nelnet.net>
Subject: Re: 2785_3835 NN 1 of 1
Importance: High

I did not see the file come through. Anyone else at FSA see it ?

Thanks,

Sue

From: (b)(4); (b)(6) @nelnet.net>
Sent: Wednesday, May 24, 2017 3:41 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: RE: 2785_3835 NN 1 of 1

(b)(6)

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: (b)(4); (b)(6)
Sent: Wednesday, May 24, 2017 2:41 PM
To: 'CM_Validation' <CM_Validation@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>; 'nikcola.yorkshire@ed.gov' <nikcola.yorkshire@ed.gov>; 'Kim, Bora' <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Lisa Oldre (Lisa.Oldre@ed.gov) <Lisa.Oldre@ed.gov>; 'Walsh, Mark' <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; 'Leavitt, Katharine' <Katharine.Leavitt@ed.gov>; 'Mitchell, Shayla' <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6) @nelnet.net>
Subject: 2785_3835 NN 1 of 1

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FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) @Nelnet.net
nelnet.com

From: Oldre, Lisa
Sent: 24 May 2017 19:44:15 +0000
To: Bubel, Susan (b)(4); (b)(6) ;CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Walsh, Mark;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: RE: 2785_3835 NN 1 of 1

I see it.

From: Bubel, Susan
Sent: Wednesday, May 24, 2017 3:43 PM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: Re: 2785_3835 NN 1 of 1
Importance: High

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Thanks,

Sue

From: (b)(4); (b)(6) @nelnet.net>
Sent: Wednesday, May 24, 2017 3:41 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: RE: 2785_3835 NN 1 of 1

(b)(6)

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: (b)(4); (b)(6)
Sent: Wednesday, May 24, 2017 2:41 PM
To: 'CM_Validation' <CM_Validation@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>; 'nikcola.yorkshire@ed.gov' <nikcola.yorkshire@ed.gov>; 'Kim, Bora' <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Lisa Oldre (Lisa.Oldre@ed.gov) <Lisa.Oldre@ed.gov>; 'Walsh, Mark' <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; 'Leavitt, Katharine'

<Katharine.Leavitt@ed.gov>; 'Mitchell, Shayla' <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6) @nelnet.net>
Subject: 2785_3835 NN 1 of 1

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Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) @Nelnet.net
nelnet.com

From: (b)(4); (b)(6)
Sent: 30 Jun 2017 18:18:41 +0000
To: Jackson, Lateata;CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: (b)(4); (b)(6);Bubel, Susan;Battle, Cynthia;Chialastri, Taneka;Leavitt, Katharine
Subject: RE: 2785_3835 NN 1 of 1

Thank you, I am confirming receipt for Nelnet and we will implement by July 14, 2017.

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Friday, June 30, 2017 5:28 AM
To: (b)(4); (b)(6)@nelnet.net>; CM_Validation <CM_Validation@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Leavitt, Katharine <Katharine.Leavitt@ed.gov>; Mitchell, Shayla <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Cc: (b)(4); (b)(6)@nelnet.net>; Bubel, Susan <Susan.Bubel@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Leavitt, Katharine <Katharine.Leavitt@ed.gov>
Subject: RE: 2785_3835 NN 1 of 1
Importance: High

FSA approves the attached Artifacts and Compliance Statement for CRs 2785 and 3835. FSA anticipates Nelnet's implementation to be July 14, 2017.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6)@nelnet.net]
Sent: Monday, June 05, 2017 1:01 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia;

Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: (b)(4); (b)(6)
Subject: 2785_3835 NN 1 of 1

Good Afternoon,

Attached are Nelnet's follow up items from the walkthrough and revised validation artifacts for CR's 2785 and 3835.

Revisions to the validation artifacts:

Scenario 1

- No changes

Scenario 2

- (b)(5)
-

Scenario 3

- (b)(5)
-
-

Scenario 4

- No changes

Scenario 5

- (b)(5)
-
-
-

Scenario 6

- (b)(5)
-

Scenario 7

- No changes

Scenario 8

- No changes

Scenario 9

- (b)(5)

Scenario 10

- (b)(5)

Scenario 11

- (b)(5)

Scenario 12

- No changes

Scenario 13

- No changes

Scenario 14

- (b)(5)

Scenario 15

- No changes

The password will follow.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6)@Nelnet.net
nelnet.com

From: Leavitt, Katharine
Sent: 13 Mar 2015 15:21:02 -0500
To: Jackson, Lateata;Connelly, Tammy;Meadows, Kim;Smith, Lynn;Gibson, Karen;Battle, Cynthia;Ratchford, Sabrina;Bubel, Susan;Lamphier, Katharine;Jones, Amber K.;Washington, Patrice;Porter, Larry;Foss, Ian;Brown, Lenny
Subject: RE: Assessment Review - CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015

Hi LaTeata, Cindy, et al,
I quoted from the wrong decision document during today's meeting. The appropriate expectation based on the previous decision is as follows:

> The servicers will update system functionality to begin to capture all unpaid interest (excluding neg am interest) during capping events.
> For clean up:
> **Allow the population to self-correct by having the outstanding, unpaid interest (excluding neg am interest) to be included in the next triggered capping event.**
>
> Impact: This will reduce the number of borrower complaints received but may result in some accounts not being updated since a future capping event may not take place on every account impacted.

Will the current approach incorporate self-corrections on the affected accounts?

From: Jackson, Lateata
Sent: Friday, March 13, 2015 10:15 AM
To: Connelly, Tammy; Meadows, Kim; Smith, Lynn; Gibson, Karen; Battle, Cynthia; Ratchford, Sabrina; Bubel, Susan; Lamphier, Katharine; Jones, Amber K.; Leavitt, Katharine; Washington, Patrice; Porter, Larry; Foss, Ian; Brown, Lenny
Subject: Assessment Review - CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015
The attached spreadsheet is the handout for our meeting this afternoon.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: 9 Aug 2011 12:46:22 -0500
To: Foss, Ian;Battle, Cynthia
Subject: RE: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices
Attachments: Interest_Capitalization_Final.docx

Ian, this version does not contain all of the changes we discussed this morning. Should I still be expecting a revised CR from you today?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Foss, Ian
Sent: Tuesday, August 09, 2011 8:40 AM
To: Jackson, Lateata; Battle, Cynthia; Leifeste, Denise; Myers-Wright, Helena; Sligh, Laraba
Subject: RE: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices

See the tracked changes for the slight clarification.

<< File: Interest_Capitalization_Final.docx >>

-----Original Appointment-----
From: Jackson, Lateata
Sent: Tuesday, August 09, 2011 8:35 AM
To: Jackson, Lateata; Foss, Ian; Battle, Cynthia; Leifeste, Denise; Myers-Wright, Helena; Sligh, Laraba
Subject: FW: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices
When: Tuesday, August 09, 2011 8:30 AM-9:30 AM (GMT-05:00) Eastern Time (US & Canada).
Where: Rm 82E2 -(b)(6) PC (b)(6)

When: Tuesday, August 09, 2011 8:30 AM-9:30 AM (GMT-05:00) Eastern Time (US & Canada).
Where: Rm 82E2 -(b)(6) PC (b)(6)

Note: The GMT offset above does not reflect daylight saving time adjustments.

~~*~*~*~*~*~*~*~*

Ian – sorry for the late notice – but we are discussing the capitalization rule this morning with CM (right now). I know you want to add the one change – are there others? You are welcome to call in if you have time.

-----Original Appointment-----
From: Jackson, Lateata
Sent: Monday, August 08, 2011 8:25 PM
To: Jackson, Lateata; Battle, Cynthia; Leifeste, Denise; Myers-Wright, Helena; Sligh, Laraba
Subject: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices
When: Tuesday, August 09, 2011 8:30 AM-9:30 AM (GMT-05:00) Eastern Time (US & Canada).
Where: Rm 82E2 (b)(6) PC (b)(6)

THe attached assessments for CR 1431 need to be reviewed and the attached CR 1492 - Capitalization Practices needs to be validated to go out to Servicers.

Page 0917

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 0918

Withheld pursuant to exemption

(b)(5)

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Page 0919

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Page 0920

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Sent: Tuesday, August 09, 2011 8:40 AM
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Page 0923

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Page 0925

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(b)(5)

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Page 0926

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Foss, Ian
Sent: 9 Aug 2011 12:40:29 +0000
To: Jackson, Lateata;Battle, Cynthia;Leifeste, Denise;Myers-Wright, Helena;Sligh, Laraba
Subject: RE: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices
Attachments: Interest_Capitalization_Final.docx

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Subject: FW: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices
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Page 0928

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Page 0929

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Page 0930

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(b)(5)

of the Freedom of Information and Privacy Act

Page 0931

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Foss, Ian
Sent: 9 Aug 2011 19:38:42 +0000
To: Jackson, Lateata;Battle, Cynthia
Subject: RE: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices
Attachments: ID 1492_ Capitalization Practices - 080411.docx

Yes, La Teata. You may find it attached to this message.

On the capitalization on Subsidized Loans exiting a deferment, the regulations do not specify that interest may be capitalized when at that time. However, our special rule regarding back-to-back deferments and forbearances states that interest that accrued during a forbearance that was not capitalized because the loan immediately went into a deferment may be capitalized when the loan exist that deferment.

From: Jackson, Lateata
Sent: Tuesday, August 09, 2011 1:46 PM
To: Foss, Ian; Battle, Cynthia
Subject: RE: Assessment Review for CR 1431 - 1099C Reporting & CR Validation for CR 1492 Capitalization Practices

Ian, this version does not contain all of the changes we discussed this morning. Should I still be expecting a revised CR from you today?

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Where: Rm 82E2 - (b)(6) PC (b)(6)

THe attached assessments for CR 1431 need to be reviewed and the attached CR 1492 - Capitalization Practices needs to be validated to go out to Servicers.

Business Operations Change Request Form

Send all Change Request Forms to POCChangeRequest@ed.gov

Administrative Information

Service Area Validation for Submission Completed: ☒ **Defer:** ☐ **ID: 1492**

Requestor: Cynthia Battle

Date Submitted: ~~08.01.11~~ 8/4/2011

Title of change request: **Capitalization Practices**

Anticipated Implementation Date: **December 2011**

FSA System/Area Impacted

☐ COD	☐ CPS	☐ eCampus Based
☐ TPD	☒ **DLSS**	☐ FFEL Commercial
☐ DLCS	☐ DMCS/DMCS2	☐ NSLDS
☒ **ACES Nelnet Platform**	☐ Participation Management	☐ EDExpress
☒ **All Servicers (TIVAS)**	☐ Security Architecture	☐ SAIG
☐ PEPS/IPM	☐ EAI	☐ FMS
☐ FPDM	☐ CSB Data Mart	☒ **Other NFP**

Details

Description of Change Requested:

Capitalization Practices

Reason for Change:

Standardize the capitalization events:

Reference

- 34 CFR 682.202(b) Permissible Charges by Lenders to Borrowers, *Capitalization*
- 34 CFR 682.211(f)(11) Forbearance
- 34 CFR 685.202(b) Charges for Which Direct Loan Program Borrowers are Responsible, *Capitalization*
- 34 CFR 685.205(b)(9) Forbearance, *Administrative Forbearance*
- 34 CFR 685.208(l)(5) Repayment Plans, *Alternative Repayment*
- 34 CFR 685.209(c)(5) Income Contingent Repayment Plan, *Limitation on Capitalization of Interest*
- 34 CFR 685.221(b)(4) Income Based Repayment Plan

Business Rule

Interest capitalization occurs when a borrower's unpaid accrued interest is added to the borrower's unpaid principal balance.

Capitalization for the following loans is only permitted as explicitly authorized below.

When referencing an ED-held FFELP Loan, the following FFELP loans in the Department-held portfolio are included: PUT, Conduit, and reinstated TPD loans.

When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).

For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan:

- Exits forbearance.

For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan:

- Enters repayment;
- Exits deferment; and
- Exits forbearance.

For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan:

- Exits deferment; and
- Exits forbearance.

For Direct Subsidized Consolidation Loans, interest is capitalized when the loan:

- Exits forbearance.

For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan:

- Exits deferment; and
- Exits forbearance.

For Direct PLUS Consolidation Loans, interest is capitalized when the loan:

- Exits deferment; and
- Exits forbearance.

For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.

Special rule for periods of back-to-back deferment and/or forbearance:

> If a borrower enters a series of status changes that would otherwise result in interest capitalization, the servicer will capitalize only once, at the end of the final status change, as illustrated by the following examples:
>
> > Example 1. If a borrower is placed on administrative forbearance, then has the forbearance extended as a regular forbearance, and finally is placed in an economic hardship deferment, without any breaks between the periods of forbearance and deferment, the accrued interest is not capitalized until the end of the deferment period.
> >
> > Example 2. If a borrower with a PLUS loan that was first disbursed on or after July 1, 2008 receives an in-school deferment covering the total period of at least half-time enrollment that is immediately followed by a six-month post enrollment deferment, the interest that accrued from the period of first disbursement to entry into repayment, the in-school deferment, and the post-enrollment deferment is not capitalized until the end of the six-month post-enrollment deferment period because there is no break between the two deferment periods.

For borrowers who are repaying Direct Loans under the Income Contingent Repayment (ICR) or Alternative Repayment Plans, interest is capitalized annually when the scheduled payments do not cover the interest that has accrued on the loan ("negative amortization"), except as provided below.

In the case of negative amortization, the servicer capitalizes interest on July 31 each year, but only for interest that accrues through June 30. Delaying the date of capitalization gives the borrower an opportunity to pay the accrued interest before it capitalizes. For loans that are in deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.

> For example, if a borrower's calculated monthly payment covers all but $50 of the interest that accrues each month, $600 in unpaid interest will accrue over the course of a 12-month period, despite the borrower having been in repayment the entire year and having paid the full monthly payment each month. On July 31, the

servicer will capitalize the interest that accrued between July 1 of the preceding year and June 30 of the current year. Although $650 of unpaid interest will have accrued at the time of capitalization, only $600 will be capitalized on July 31.

Exception One: the annual capitalization excludes any interest that accrued during forbearance (including reduced payment forbearance during which the payment may be less than the monthly interest amount) and deferment.

If a deferment or forbearance ends prior to the annual capitalization date of July 31, the servicer will capitalize only the interest accrued during the deferment or forbearance period at the conclusion of the deferment or forbearance. The servicer will then capitalize the interest that accrued due to negative amortization on July 31, but only for interest that accrued through June 30.

For example, if an ICR borrower whose loan negative amortizes receives a deferment from January 15 – July 15, the servicer will capitalize unpaid interest that accrued during the deferment period at the conclusion of the deferment. Unpaid interest that accrued due to the negative amortization from July 1 of the prior year to June 30 of the current year will be capitalized on July 31—at the time of annual capitalization.

Exception Two: interest is capitalized due to negative amortization until the outstanding principal balance is ten percent greater than the original principal balance. The original principal balance is the principal balance when the borrower's loan enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations. Once the ten percent capitalization is reached, the servicer continues to accrue interest on the borrower's loan(s), but the interest above the ten percent is not capitalized.

For borrowers who are repaying any Direct Loan or ED-held FFELP Loan under the Income Based Repayment (IBR) Plan, and regardless of any other rule concerning interest capitalization, interest is not capitalized until the borrower no longer has a partial financial hardship (PFH) or exits IBR.

For example, if a borrower who is repaying under IBR receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment.

Conversely, if a borrower is repaying his or her loan(s) under IBR and receives a deferment or forbearance that ends after the borrower has been determined to no longer have a PFH or after the borrower requests to be removed from IBR, the servicer will capitalize the accrued interest at the end of the deferment or forbearance.

For the above scenarios, the loans accrue interest until the day prior to the date of capitalization unless otherwise stated above.

Notification of Capitalization

When the Servicer capitalizes interest and increases the borrower's principal balance, the Servicer is required to notify the borrower that all unpaid interest will be, or has been capitalized. After interest has been added to the borrower's principal balance, the Servicer is required to re-disclose to the borrower the amount of interest capitalized and the borrower's adjusted payment amount.

Additional Information (ALL OPERATIONAL IMPACTS MUST BE ASSESSED):

IST Anticipation:

Validation (Requirement ID/Criteria):

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)?
N/A

From: Foss, Ian
Sent: 13 Mar 2017 14:06:44 +0000
To: Curran, Frank D.
Subject: RE: BD FFEL forb reg question

Hi Frank,

You're exactly right. For the commercially FFELP portfolio, interest will capitalize. For our portfolio, based on our decision (which predated this rulemaking), it will not.

Ian

From: Curran, Frank D.
Sent: Friday, March 10, 2017 2:23 PM
To: Foss, Ian
Subject: BD FFEL forb reg question

Ian – was looking at the Reg info below for BD regs about FFEL forb as well as the DC notice that went out on 1/18/17 and have a question. It appears as if the interest accrued during the forb IS expected to cap in these cases – agreed? I realize that wouldn't matter if the borrower consolidates….so it would only impact those that get 'denied'. I just know that on the federal side we apply non-capping forbs – so wanted to make sure I understand that the FFEL side forbs WILL cap.

****

Discussion: We appreciate the commenters' support for granting forbearance and providing information about alternatives and believe it will aid borrowers while the Department reviews their applications. Forbearance is available to Direct Loan borrowers and administered by the loan servicers.

The Department will allow lenders and loan holders to implement § 682.211(i)(7) early, so that they may grant the forbearance prior to July 1, 2017. Lenders and loan holders will be required to grant such forbearance as of July 1, 2017, the effective date of these regulations.

We disagree that forbearance should be an opt-in process, as we believe that the majority of borrowers will want to receive the forbearance, making an opt-out process both more advantageous to borrowers and more efficient.

We also disagree that providing forbearance and suspending collection activities will lead to substantial numbers of frivolous claims. Borrowers experiencing difficulty with their monthly loan obligations may avail themselves of income-driven repayment plans, loan deferment, and voluntary forbearance upon request. Additionally, because applicants for forbearance are

required to sign a certification statement that the information contained on their application is true and that false statements are subject to penalties of perjury, we do not expect a sizeable increase in fraudulent claims.

We disagree with the recommendation that the Department set a limit on the amount of accrued interest that may be capitalized, or the length of time that interest may be allowed to accrue, during the administrative forbearance. We have seen no evidence that capitalization of interest that accrues during a forbearance period while a discharge claim is being reviewed discourages borrowers from applying for loan discharges. Even in situations when the suspension of collection activity may be for an extended period of time--such as during bankruptcy proceedings--interest that accrues during the suspension of collection activity is capitalized. We see no justification for limiting capitalization of interest during the period in which a borrower defenses claim is being evaluated by the Department.

We agree with the commenters that it is preferable to have a set time period for mandatory forbearances granted during the period that the Department is reviewing a borrower defense claim. In addition to resolving the

From: Foss, Ian
Sent: 24 Jul 2017 11:59:31 +0000
To: Callahan, Nicole
Subject: Re: Better Borrowing
Attachments: InSchoolInterest.xlsx

See attached for a spreadsheet which models what a student would pay under 10-year standard after taking into account the mix of interest rates from 2013-2014 through 2016-2017, the grace period, interest capitalization, and daily interest.

I don't know where their 2:1 ratio comes from, but the highest I could get is 1.36:1, and that's assuming all unsub. It could be that they're modeling using a different repayment plan, or different loan amounts. Either way, we need to ask them what assumptions they used.

I think their logic for the image copy works as follows:

- 4 years = 104 weeks.
- A $10 pizza per week over the course of 104 weeks = $1,040.
- At the 2:1 ratio, those pizzas will actually cost you about $2,000.

Also, yes, I worked with Sandra to approve "the power of extra payments" image.

From: Callahan, Nicole
Sent: Thursday, July 20, 2017 8:54:25 AM
To: Foss, Ian
Subject: Better Borrowing

Hi,

Based on some user research Huge did, we're going to be focusing more on informed borrowing on the front-end. The goal is to introduce students to "future me" now. One thing they want to do is explain that the amount you borrow is not the amount you pay back thanks to interest.

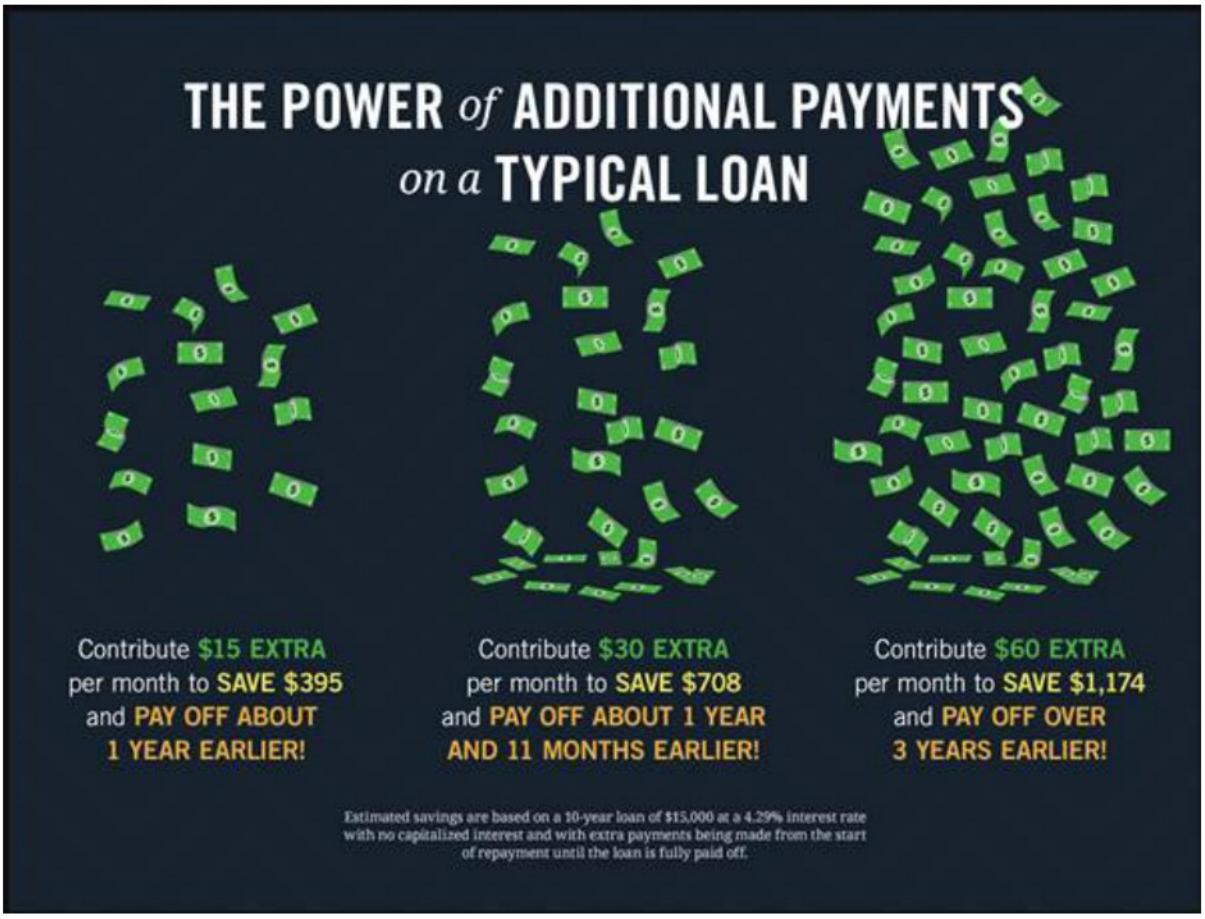
Here was the first post they sent:

As a general rule, every $1 you borrow for college will cost you about $2 once you pay off your student loan, given the mix of interest rates, interest capitalization, and the repayment plans students typically choose. So remember: Borrow only what you need—and spend it wisely. #BetterBorrowing	Image copy: **WHAT WILL IT COST YOU?** [Image: Show a pizza with a price tag attached that says "$2,000"] **After four years in college using student loan money, a weekly $10 pizza could cost you up to $2,000 once you've repaid the debt. Remember: Borrow only what you need—and spend it on essentials only.**

A couple things:

- Double seems really high. I'm asking them where they got that from. Is there a way to take our current direct loan maximums (with max mix of sub and unsub for 4 years and our current interest rates and come up with what your total balance would be after you exit grace? It seems like it would be difficult to calculate because of daily interest, but if we made assumptions? Or is there a calculator or spreadsheet somewhere that can estimate?
  - 1st year: 3,500 in sub, 2,000 in unsub, 4.45% interest rate
  - 2nd year: 4,500 in sub, 2,000 in unsub, 4.45% interest rate
  - 3rd year: 5,500 in sub, 2,000 in unsub, 4.45% interest rate
  - 4th year: 5,500 in sub, 2,000 in unsub, 4.45% interest rate
- Do you understand the image copy? It's completely lost on me.

Also, I know we chatted about this a while back, but did you approve this? The final image was created when I was out of town, so I'm just seeing it now. Wasn't sure if it was run past you.



Thanks,
Nicole

Loan	Loan Type	Disbursement Date	Disbursed	Interest Rate	# Days	InSch Interest	Post Cap Principal	10 Yr Std Pmt	Total Paid
1	Subsidized	1/25/2013	$0.00	3.86%	1751	$0.00	$0.00	$0.00	$0.00
		1/5/2014	$0.00	3.86%	1406	$0.00	$0.00	$0.00	$0.00
2	Unsubsidized	1/25/2013	$2,750.00	3.86%	1751	$508.88	$3,258.88	$32.78	$3,933.38
		1/5/2014	$2,750.00	3.86%	1406	$408.62	$3,158.62	$31.77	$3,812.36
3	Subsidized	1/25/2014	$0.00	4.66%	1386	$0.00	$0.00	$0.00	$0.00
		1/5/2015	$0.00	4.66%	1041	$0.00	$0.00	$0.00	$0.00
4	Unsubsidized	1/25/2014	$3,250.00	4.66%	1386	$574.70	$3,824.70	$39.93	$4,792.11
		1/5/2015	$3,250.00	4.66%	1041	$431.65	$3,681.65	$38.44	$4,612.87
5	Subsidized	1/25/2015	$0.00	4.29%	1021	$0.00	$0.00	$0.00	$0.00
		1/5/2016	$0.00	4.29%	676	$0.00	$0.00	$0.00	$0.00
6	Unsubsidized	1/25/2015	$3,750.00	4.29%	1021	$449.70	$4,199.70	$43.10	$5,172.14
		1/5/2016	$3,750.00	4.29%	676	$297.75	$4,047.75	$41.54	$4,985.00
7	Subsidized	1/25/2016	$0.00	3.76%	656	$0.00	$0.00	$0.00	$0.00
		1/5/2017	$0.00	3.76%	310	$0.00	$0.00	$0.00	$0.00
8	Unsubsidized	1/25/2016	$3,750.00	3.76%	656	$253.24	$4,003.24	$40.08	$4,809.10
		1/5/2017	$3,750.00	3.76%	310	$119.67	$3,869.67	$38.74	$4,648.64
Totals			**$27,000.00**			**$3,044.20**	**$30,044.20**	**$306.38**	**$36,765.60**

Year Starting School	**2013**
Date Grace Begins	**5/10/2017**
Date Repayment Begins	**11/10/2017**
Amount Paid / Amount Borrowed	**136.17%**

Loan	Loan Type	Disbursement Date	Disbursed	Interest Rate	# Days	InSch Interest	Post Cap Principal	10 Yr Std Pmt	Total Paid
1	Subsidized	1/25/2013	$1,750.00	3.86%	1751	$0.00	$1,750.00	$17.60	$2,112.20
		1/5/2014	$1,750.00	3.86%	1406	$0.00	$1,750.00	$17.60	$2,112.20
2	Unsubsidized	1/25/2013	$1,000.00	3.86%	1751	$185.05	$1,185.05	$11.92	$1,430.32
		1/5/2014	$1,000.00	3.86%	1406	$148.59	$1,148.59	$11.55	$1,386.31
3	Subsidized	1/25/2014	$2,250.00	4.66%	1386	$0.00	$2,250.00	$23.49	$2,819.11
		1/5/2015	$2,250.00	4.66%	1041	$0.00	$2,250.00	$23.49	$2,819.11
4	Unsubsidized	1/25/2014	$1,000.00	4.66%	1386	$176.83	$1,176.83	$12.29	$1,474.50
		1/5/2015	$1,000.00	4.66%	1041	$132.81	$1,132.81	$11.83	$1,419.35
5	Subsidized	1/25/2015	$2,750.00	4.29%	1021	$0.00	$2,750.00	$28.22	$3,386.76
		1/5/2016	$2,750.00	4.29%	676	$0.00	$2,750.00	$28.22	$3,386.76
6	Unsubsidized	1/25/2015	$1,000.00	4.29%	1021	$119.92	$1,119.92	$11.49	$1,379.24
		1/5/2016	$1,000.00	4.29%	676	$79.40	$1,079.40	$11.08	$1,329.33
7	Subsidized	1/25/2016	$2,750.00	3.76%	656	$0.00	$2,750.00	$27.53	$3,303.58
		1/5/2017	$2,750.00	3.76%	310	$0.00	$2,750.00	$27.53	$3,303.58
8	Unsubsidized	1/25/2016	$1,000.00	3.76%	656	$67.53	$1,067.53	$10.69	$1,282.43
		1/5/2017	$1,000.00	3.76%	310	$31.91	$1,031.91	$10.33	$1,239.64
Totals			**$27,000.00**			**$942.04**	**$27,942.04**	**$284.87**	**$34,184.41**

Year Starting School	**2013**
Date Grace Begins	**5/10/2017**
Date Repayment Begins	**11/10/2017**
Amount Paid / Amount Borrowed	**126.61%**

Loan	Loan Type	Disbursement Date	Disbursed	Interest Rate	# Days	InSch Interest	Post Cap Principal	10 Yr Std Pmt	Total Paid
1	Subsidized	1/25/2013	$0.00	3.86%	1751	$0.00	$0.00	$0.00	$0.00
		1/5/2014	$0.00	3.86%	1406	$0.00	$0.00	$0.00	$0.00
2	Unsubsidized	1/25/2013	$4,750.00	3.86%	1751	$878.98	$5,628.98	$56.62	$6,794.02
		1/5/2014	$4,750.00	3.86%	1406	$705.79	$5,455.79	$54.87	$6,584.99
3	Subsidized	1/25/2014	$0.00	4.66%	1386	$0.00	$0.00	$0.00	$0.00
		1/5/2015	$0.00	4.66%	1041	$0.00	$0.00	$0.00	$0.00
4	Unsubsidized	1/25/2014	$5,250.00	4.66%	1386	$928.36	$6,178.36	$64.51	$7,741.10
		1/5/2015	$5,250.00	4.66%	1041	$697.28	$5,947.28	$62.10	$7,451.56
5	Subsidized	1/25/2015	$0.00	4.29%	1021	$0.00	$0.00	$0.00	$0.00
		1/5/2016	$0.00	4.29%	676	$0.00	$0.00	$0.00	$0.00
6	Unsubsidized	1/25/2015	$6,250.00	4.29%	1021	$749.50	$6,999.50	$71.84	$8,620.23
		1/5/2016	$6,250.00	4.29%	676	$496.24	$6,746.24	$69.24	$8,308.33
7	Subsidized	1/25/2016	$0.00	3.76%	656	$0.00	$0.00	$0.00	$0.00
		1/5/2017	$0.00	3.76%	310	$0.00	$0.00	$0.00	$0.00
8	Unsubsidized	1/25/2016	$6,250.00	3.76%	656	$422.07	$6,672.07	$66.79	$8,015.16
		1/5/2017	$6,250.00	3.76%	310	$199.45	$6,449.45	$64.56	$7,747.74
Totals			**$45,000.00**			**$5,077.67**	**$50,077.67**	**$510.53**	**$61,263.14**

Year Starting School	**2013**
Date Grace Begins	**5/10/2017**
Date Repayment Begins	**11/10/2017**
Amount Paid / Amount Borrowed	**136.14%**

Loan	Loan Type	Disbursement Date	Disbursed	Interest Rate	# Days	InSch Interest	Post Cap Principal	10 Yr Std Pmt	Total Paid
1	Subsidized	1/25/2013	$1,750.00	3.86%	1751	$0.00	$1,750.00	$17.60	$2,112.20
		1/5/2014	$1,750.00	3.86%	1406	$0.00	$1,750.00	$17.60	$2,112.20
2	Unsubsidized	1/25/2013	$3,000.00	3.86%	1751	$555.14	$3,555.14	$35.76	$4,290.96
		1/5/2014	$3,000.00	3.86%	1406	$445.76	$3,445.76	$34.66	$4,158.94
3	Subsidized	1/25/2014	$2,250.00	4.66%	1386	$0.00	$2,250.00	$23.49	$2,819.11
		1/5/2015	$2,250.00	4.66%	1041	$0.00	$2,250.00	$23.49	$2,819.11
4	Unsubsidized	1/25/2014	$3,000.00	4.66%	1386	$530.49	$3,530.49	$36.86	$4,423.49
		1/5/2015	$3,000.00	4.66%	1041	$398.44	$3,398.44	$35.48	$4,258.04
5	Subsidized	1/25/2015	$2,750.00	4.29%	1021	$0.00	$2,750.00	$28.22	$3,386.76
		1/5/2016	$2,750.00	4.29%	676	$0.00	$2,750.00	$28.22	$3,386.76
6	Unsubsidized	1/25/2015	$3,000.00	4.29%	1021	$359.76	$3,359.76	$34.48	$4,137.71
		1/5/2016	$3,000.00	4.29%	676	$238.20	$3,238.20	$33.23	$3,988.00
7	Subsidized	1/25/2016	$2,750.00	3.76%	656	$0.00	$2,750.00	$27.53	$3,303.58
		1/5/2017	$2,750.00	3.76%	310	$0.00	$2,750.00	$27.53	$3,303.58
8	Unsubsidized	1/25/2016	$3,500.00	3.76%	656	$236.36	$3,736.36	$37.40	$4,488.49
		1/5/2017	$3,500.00	3.76%	310	$111.69	$3,611.69	$36.16	$4,338.73
Totals			**$44,000.00**			**$2,875.85**	**$46,875.85**	**$477.73**	**$57,327.66**

Year Starting School	**2013**
Date Grace Begins	**5/10/2017**
Date Repayment Begins	**11/10/2017**
Amount Paid / Amount Borrowed	**130.29%**

From: Foss, Ian
Sent: 6 Aug 2014 18:05:58 +0000
To: Battle, Cynthia
Subject: RE: CAP 1.1.3 and 1.1.4 (Capitalization)

I'll be free at 3.

From: Battle, Cynthia
Sent: Wednesday, August 06, 2014 1:59 PM
To: Foss, Ian
Subject: RE: CAP 1.1.3 and 1.1.4 (Capitalization)

sorry -- the write up in a good place and for the most part everyone agreed to the approach. I'll explain what the open questions are (when you have a minute). No, you don't need to do anything with the attachment or the questions. Just wanted you to have as background.

Let me know if you have a few minutes and I'll explain

From: Foss, Ian
Sent: Wednesday, August 06, 2014 1:54 PM
To: Battle, Cynthia
Subject: RE: CAP 1.1.3 and 1.1.4 (Capitalization)

I know Jon and I were asked about this during our discussions of CR 1492, and we specifically said that this "other unpaid interest" should be capitalized. If I can find the emails, should I send them to you, would that be helpful I the write-up?

Also, I'm not *entirely* sure what you'd like me to do here. Did you want me to proof the attachment and then look at some of the questions that George raised?

From: Battle, Cynthia
Sent: Wednesday, August 06, 2014 12:33 PM
To: Foss, Ian
Subject: CAP 1.1.3 and 1.1.4 (Capitalization)

From: Battle, Cynthia
Sent: Thursday, July 24, 2014 7:57 PM
To: Kim, Bora
Cc: Strudgeon, George; Stewart, Tracey; O'Flaherty, Sue; Oldre, Lisa
Subject: CAP 1.1.3 and 1.1.4

Bora,
Please find attached the Decision Paper (outlined in CAP 1.1.3) which includes the recommendation to resolve the finding (CAP 1.1.4). This recommendation, if accepted, should close both CAP items. Please let me know if you have questions or need to discuss further.

Thanks.

From: Kim, Bora
Sent: Wednesday, June 25, 2014 2:56 PM
To: Battle, Cynthia
Cc: Strudgeon, George; Stewart, Tracey
Subject: RE: Request for Updates: BusOps Issue log: Due 4:00pm Thursday

Cindy,

As the due date is approaching for CAP 1.1.3, I will need the closure evidence (white paper) no later than **Tuesday, July 1st**. If the closure evidence is not going be ready for submission by July 1st, then please let us know and provide me an estimated completion date. (*Finance requests FMB to submit the closure evidence 2 weeks prior to the due date to allow them time to review and follow-up, if necessary.*)

Thank you,
Bora

From: Stewart, Tracey
Sent: Wednesday, June 25, 2014 12:15 PM
To: Battle, Cynthia; Leifeste, Denise; Vigna, Dwight
Cc: Strudgeon, George; Kim, Bora
Subject: Request for Updates: BusOps Issue log: Due 4:00pm Thursday

Cindy, please provide updates for 1.1.3 and 1.1.4.

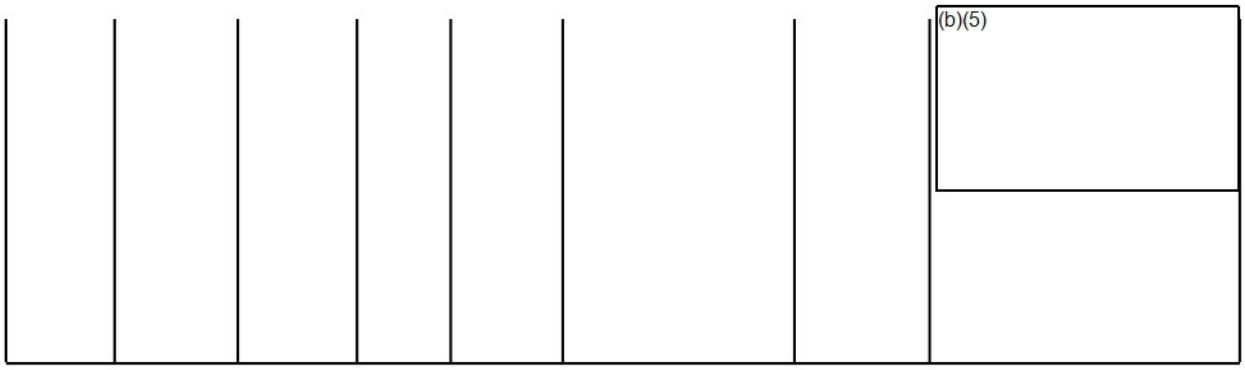
Denise, please provide the CR number & the status of the CR for the SLM A issue.

Dwight, I know you didn't discuss with Bill's managers last week but Anthony said he'd try to get it on the Agenda for tomorrow's meeting. Please let me know if that happens.

ICOFR Item#	Type	Find #	Rec	Action Item	Action Item	Due Date	Next Milestone and Status
6	CAP FY13	1	1	3	For the non-defaulted servicing system functionality issue, Direct Loan Division will conduct a detailed analysis of the issue to further determine magnitude and impact to system and customer. By the end of June 2014, the results of this analysis will be documented in a white paper explaining the issue of the failure of the	7/15/2014	(b)(5)

					servicing system to capitalize interest fully, quantifying the magnitude of the issue, and justifying the decision to correct or not correct the servicing system functionality. The white paper will be provided as evidence for closure.		
7	CAP FY13	1	1	4	Based on the results of the analysis in Action Item # 3, if the decision is to correct the servicing system functionality, a project plan for correcting the issue will be provided by September 1, 2014. If the analysis supports the decision not to correct the servicing system functionality, a form justifying FSA accepting the risk of not correcting the issue will be completed and provided by September 1, 2014.	9/1/2014	(b)(5)
21	Evolving issues	Denise Leifeste	SLM	A	Issue/Problem: ACS Misaligned Interest Rate—Consolidation Loans converted from ACS that have been identified as having mismatched interest rates on the underlying subsidized and unsubsidized portions of the DL consolidation loan. Preliminary research of BHARs indicated that the mismatched interest rates were provided by ACS during the conversion process	Periodic Update	(b)(5)

					and arose as a result of ACS receiving rate adjustments from LC but only making the adjustments on either the subsidized or on the unsubsidized portions of the loans – not on both (as would be required). The rates need to be corrected so that interest on both the sub and unsubsidized portions of the loans accrue at the correct rates.		(b)(5)
11	CAP FY13	1	5	1	FSA will review and republish protocols for management approval for write-offs. Approved write off protocols will be provided by the end of March 2014.	7/31/2014	



Thank you!
Tracey Stewart
OFSA, Internal Controls Division
Financial Management Branch
(202)377-3186

From: Bubel, Susan
Sent: 23 Jun 2015 18:14:17 +0000
To: Foss, Ian;Bryant, Michael;Battle, Cynthia
Subject: RE: Capitalization - Default & Rehabilitation

Navient just confirmed no capping to rehab. PHEAA confirmed no capping as well on either REHAB or RECALL

From: Foss, Ian
Sent: Tuesday, June 23, 2015 2:05 PM
To: Bubel, Susan; Bryant, Michael; Battle, Cynthia
Subject: RE: Capitalization - Default & Rehabilitation

Oh, interesting. They definitely shouldn't be capitalizing post-rehabilitation, but thanks for confirming this.

From: Bubel, Susan
Sent: Tuesday, June 23, 2015 1:43 PM
To: Bryant, Michael; Foss, Ian; Battle, Cynthia
Subject: RE: Capitalization - Default & Rehabilitation

Navient just confirmed they do not cap the interest after recall, they are double checking Rehab, but for recall it would remain outstanding until paid or a capping event.
Sue

From: Bubel, Susan
Sent: Tuesday, June 23, 2015 1:24 PM
To: Bryant, Michael; Foss, Ian; Battle, Cynthia
Subject: RE: Capitalization - Default & Rehabilitation

(b)(5)

Thanks,
Sue

From: Bryant, Michael
Sent: Tuesday, June 23, 2015 1:14 PM
To: Foss, Ian; Battle, Cynthia; Bubel, Susan
Subject: RE: Capitalization - Default & Rehabilitation

Ian-
Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993
This presentation, document or report and analyses are provided for Internal-Use Only and may not be shared outside of Federal Student Aid without the permission of FSA-Operations Services. This presentation, document, report or analysis was created to aid the Department of Education in complying with its legal obligation to collect federal student loan debt. These work products may also be used to inform the creation of future Department and FSA policies.

From: Foss, Ian
Sent: Tuesday, June 23, 2015 11:54 AM

To: Battle, Cynthia; Bubel, Susan; Bryant, Michael
Subject: Capitalization - Default & Rehabilitation

Hi all,

(b)(5)

Thanks!
Ian

From: Utz, Jon
Sent: 17 Mar 2017 17:16:17 +0000
To: Arnold, Nathan;Siegel, Brian;Mahaffie, Lynn;McLarnon, Gail;Weisman, Annmarie;Foss, Ian;Alfuth, Jon
Subject: RE: Capitalization discussion
Attachments: Responses to DL Servicing's Implementation Questions

The attached December 1999 email contains the Q&A document that Ian and I mentioned during today's call. The Q&As related to the non-capping forbearance provision start on page 2. Specifically, see #3 on page 2.

The HEA citations for the 60-day non-capping forbearance provision are §§428(c)(3)(D) and 428H(e)(7).

From: Arnold, Nathan
Sent: Thursday, March 16, 2017 8:01 PM
To: Siegel, Brian; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Utz, Jon; Alfuth, Jon
Subject: RE: Capitalization discussion

Sure. (b)(5)

(b)(5)

Please let me know if I can provide anything further that will aid our discussion.

Nathan

<< File: CRI Letter to ED_ Capped Int Guidance 1-12-17.pdf >>

From: Siegel, Brian
Sent: Thursday, March 16, 2017 9:09 AM
To: Arnold, Nathan; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Utz, Jon; Alfuth, Jon
Subject: RE: Capitalization discussion

Can we get some background for this discussion? What is the particular issue that has sparked this meeting?

Brian

-----Original Appointment-----
From: Arnold, Nathan

Sent: Wednesday, March 15, 2017 2:41 PM
To: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Siegel, Brian; Utz, Jon; Alfuth, Jon
Subject: Capitalization discussion
When: Friday, March 17, 2017 12:30 PM-1:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Under Secretary's office (7E307) or (b)(6)

We would like to understand the divergence in treatment of capitalization under 682.211(f)(11) for FFEL, ED-held, and to the extent it is applicable, DL. Please let me know if others should be added to this meeting invitation.

From: Meoli, Nicki
Sent: 6 Dec 1999 14:49:28 +0000
To: Battle, Cynthia;Jackson, Lateata
Cc: Baker, Jeff;Beavan, Patricia;Busse, Sandra;Grayson, Barbara;Hayward, Dan;Moran, Pamela;Newcombe, Patricia;Smith, Kenneth;Utz, Jon;Watson, Donald
Subject: Responses to DL Servicing's Implementation Questions
Attachments: DLSCguidance6.doc

Cindy and LaTeata--PDD has completed its review of the implementation questions DL Servicing submitted to us on 8/26 and 9/15. Attached is the document containing PDD's responses to the questions. As I discussed with Cindy in November and indicated in voicemails for both of you on Friday, the Direct Loan staff would like to meet with you to review the responses, provide clarification, and discuss follow up questions/concerns. I believe that using the response document to guide our discussions will maximize the effectiveness of our meeting. Please call me so that we can discuss the particulars in setting up the meeting. Thanks. Nicki



Capitalization of Interest--682.202

1. Do these new capitalization rule changes apply to Direct Loans?

   Response: No. The new rules governing the frequency of capitalization in the FFEL Program regulations do not apply to Direct Loan Program loans; they apply only to FFEL Program loans.

2. Can capitalization still occur annually for borrowers with a neg am interest balance?

   Response: Yes. There has been no change to the regulations related to the annual capitalization of unpaid interest when the scheduled payments of a borrower repaying a Direct Loan Program loan under the alternative or income contingent repayment plan do not cover the interest that has accrued on the loan.

Forbearance--682.211 and 685.205

At the time the borrower requests a deferment/forbearance, the borrower may be delinquent. Given this delinquency status, it raises the following questions:

1. In this condition, can the delinquency period prior to the 60 day forbearance be covered with an administrative forbearance and the interest capitalized?

   Response: Yes. The delinquency period prior to the 60-day non-capping forbearance period should be covered with an administrative forbearance, and the interest for that period may be capitalized.

2. If the delinquency is not covered with administrative forbearance, the borrower continues to roll increasingly delinquent given the first missed payment remains unchanged. This can create a condition in which the borrower may default. Should due diligence continue on this account for the delinquency period even though the borrower is in forbearance?

   Response: As noted in the response to #1, the delinquency period prior to the 60-day forbearance period should be covered with an administrative forbearance.

   Point of Clarification: If the delinquency period prior to the 60-day non-capping forbearance period was not covered with an administrative forbearance, the borrower would not "roll increasingly delinquent." The delinquency clock would stop at the begin date of the deferment/forbearance and resume again when the deferment/forbearance ends.

3. If the deferment begin date begins after the 60 day period and the borrower is delinquent prior to the 60 day period, current business practice would require the delinquency prior to the deferment be covered with an administrative forbearance. Does the administrative forbearance supersede the 60 day non-capping forbearance?

   Response: No. The administrative forbearance would not supersede the 60-day non-capping forbearance.

   If the answer is no, this will create a condition of a period of capping forbearance, non-capping forbearance, and deferment. Assuming Direct Loans maintains a single capitalization logic for a continuous state of suspension, is this condition considered a single state of suspension and should all the interest on the account capitalize except for the 60 day forbearance interest at the end of the deferment, or should the interest capitalize at the end of the administrative forbearance and at the end of the deferment?

   Response: The situation you describe would result in successive periods of capping forbearance, non-capping forbearance, and deferment. The capping forbearance, non-capping forbearance, deferment sequence should be considered a continuous state of suspension. Therefore, all interest that accrues during the capping forbearance and the deferment would be capitalized at the end of the deferment period. The interest that accrues during the 60-day non-capping forbearance would not be capitalized.

4. If the actual deferment/forbearance begin date (indicated on the deferment/forbearance form received from the borrower) is prior to the 60 day non-capping forbearance, does the new request supersede the 60 day period?

   Response: Yes. If the actual begin date of a deferment or forbearance is prior to the 60-day non-capping forbearance, the deferment or forbearance would supersede the 60-day non-capping forbearance.

5. If the borrower does not provide the requested information, can the interest accrued during the 60 day period capitalize?

   Response: Yes, in the case of a deferment, forbearance, or repayment plan change. If the borrower does not make any attempt at all to provide the requested/required information by the end of the 60-day non-capping forbearance period, the interest that has accrued during the period should be capitalized. (See the response to #7 for information about handling this situation in the case of a consolidation application.)

6. Can the interest preceding the 60 day period be capitalized at the end of the following deferment/forbearance period assuming the new forbearance/deferment begins after the 60 day period?

   Response: Yes. As stated previously, the capitalization of interest that accrues during a continuous state of suspension, except for the interest that accrues during the 60-day non-capping forbearance period, would be capitalized at the end of the deferment or forbearance period.

7. Should Direct Loans automatically suspend collection efforts upon receipt of a DCN transaction from Loan Consolidation? Upon receipt of an FFEL certification request?

   Response: A 60-day non-capping forbearance related to a borrower applying for a consolidation loan should be applied based on any one of the following events--

   - The borrower notifies the DLSC by phone or in writing that he or she has applied for a consolidation loan and provides the name of the lender to whom he or she submitted the application and the date on which he or she submitted the application;
   - The DLSC receives a DCN transaction requesting verification/payoff information for consolidation under the Direct Loan Program; or
   - The DLSC receives a request for verification/pay off information for consolidation under the FFEL Program.

   If a 60-day non-capping forbearance is applied based on a borrower's notification by phone or in writing that he or she has applied for a consolidation loan and the DCN transaction or FFEL Program verification certificate is not received by the end of the 60-day non-capping forbearance period, the interest that has accrued during the period should not be capitalized automatically. Through no fault of the borrower, the request for verification/payoff information may not be sent in a timely manner. Provided that the request for verification/payoff information is eventually received, the interest that accrued during the 60-day non-capping forbearance period should not

be capitalized.

8. If the deferment received is rejected, should another 60 days automatically be applied?

   Response: No. A borrower is entitled to the non-capping forbearance for a maximum period of 60 days per qualifying event (deferment, forbearance, consolidation application, or repayment plan change). If the requested/required information that a borrower submits for a particular qualifying event is incomplete and/or incorrect at the expiration of the 60-day period, another 60-day non-capping forbearance period may not be applied for that qualifying event. The borrower would, however, be entitled to a 60-day non-capping forbearance for any subsequent qualifying event.

9. Does this provision apply to borrowers on ICR interest only payments awaiting alt doc, IRS waiver approval, or AGI from the IRS?

   Response: Yes, but only in the case of borrowers who are *changing* from the standard, extended, or graduated repayment plan into the income contingent repayment plan. These borrowers are entitled to a 60-day non-capping forbearance.

Grace Period for Military Service--682.209 and 685.207

1. By what method will Direct Loans be advised of a borrower's eligibility?

   Response: The borrower or a family member will notify the DLSC by phone or letter. The DLSC may initiate the action to the borrower's account based on this contact.

2. Is any documentation required from the borrower to support the request for the extended grace period?

   Response: Yes. The borrower or a family member must submit written documentation that the borrower has been called or ordered to active duty for a period longer than 30 days. Documentation that indicates that the borrower has been called or ordered to duty for an indefinite period of time is acceptable.

3. Should the grace period automatically be extended to the maximum 4 years (3 years of service plus 1 year to re-enroll)?

   Response: There is a maximum three-year period for each call or order to active duty. This maximum three-year period includes the active duty service and the time necessary to re-enroll. If there is no indication of the end date of the borrower's service, the maximum three-year period may be initially applied. However, borrowers must be informed in writing of their obligation to notify the DLSC when they return from service and to discuss with the DLSC their plans for re-enrollment.

4. What is meant by "resume enrollment at the next available regular enrollment period?"

   Response: The period of time that is excluded from the borrower's grace period includes the time necessary for the borrower to resume enrollment at the next available regular enrollment period after returning from active duty service. This allows for the fact that not all borrowers will be able to re-enroll immediately upon their return from service or may re-enroll in a new program of study. While we have not established a limit on the re-enrollment period in regulations, we believe that 12 months generally allows more than ample time for the majority of borrowers to re-enroll.

5. We are allowing an "extra" grace period for those borrowers called to active duty while in grace. What about the borrower who is "in-school" and gets called?

   Response: This provision applies to borrowers who are in either the grace or in-school period when they are called or ordered to active duty for longer than 30 days. In either case, the borrower's account should be suspended and coded in the system as a suspension for military service. A borrower who re-enrolls in school upon returning from active duty service would get a full six-month grace period at the time the borrower drops below half-time enrollment. A borrower who does not re-enroll upon returning from active duty service would get a full six-month grace period at that time.

Unemployment Deferment--682.210

1. The Unemployment Deferment Request Form should still be completed, however, if the borrower provides evidence of the unemployment benefits, the agency registration and firm listing will not be required.

   Response: We agree with this approach. Until we are able to clear a revised version of the Unemployment Deferment Request Form, all borrowers who apply for unemployment deferments must be provided with revised instructions. This includes borrowers who obtain Unemployment Deferment Request Forms from the DLSC, from our web site, and from schools.

2. The Direct Loan Servicing Center will require additional guidance on the acceptable forms of documentation to support unemployment benefit eligibility. The DLSC is not currently familiar with the various types of unemployment evidence borrowers will be eligible to provide.

   Response: There is no uniform documentation showing eligibility for unemployment insurance benefits. The documentation varies from state to state. However, for the purposes of the unemployment deferment, the documentation must prove that the borrower is eligible to receive the unemployment insurance benefits for some period of time during the period for which the borrower is requesting the deferment. To meet this requirement, the documentation must, at a minimum, include the borrower's name, address, SSN, and the dates of the borrower's eligibility for unemployment insurance benefits. (Note: These dates may not necessarily correspond to the begin and end dates of the deferment.)

Unpaid Refund Discharge--682.402 and 685.215

1. Significant changes to existing DLSC operations procedures for the handling of discharges on "open" schools. Will require guidance on borrower documentation requirements, procedures for notification to the schools of disputed refunds, procedures for borrower notification of unpaid refund disputes and final discharge procedures for the loan balances.

   Response: We acknowledge that implementing the unpaid refund discharge is a significant task and are ready to assist the DLSC in completing it. To facilitate our work together, we would like the DLSC to draft procedures for implementing the unpaid refund discharge and submit those procedures to us for review. We propose handling specific questions that arise during the drafting of the procedures in one of two ways--the DLSC could submit those questions to us during the course of developing the draft procedures or wait and submit the questions when they submit the draft procedures for review.

From: Arnold, Nathan
Sent: 17 Mar 2017 16:25:39 +0000
To: Foss, Ian
Subject: RE: Capitalization discussion

Much appreciated

From: Foss, Ian
Sent: Friday, March 17, 2017 10:38 AM
To: Arnold, Nathan
Subject: RE: Capitalization discussion

Here you go.

From: Arnold, Nathan
Sent: Friday, 17 March, 2017 8:42
To: Foss, Ian
Subject: Re: Capitalization discussion

No, just got background for Gail

On Mar 17, 2017, at 8:23 AM, Foss, Ian <Ian.Foss@ed.gov> wrote:

> Did anyone forward you our internal email string about this?
>
> On Mar 16, 2017, at 20:00, Arnold, Nathan <Nathan.Arnold@ed.gov> wrote:
>
> Sure. (b)(5)
>
> (b)(5)
>
> Please let me know if I can provide anything further that will aid our discussion.
>
> Nathan
>
> ---
>
> **From:** Siegel, Brian
> **Sent:** Thursday, March 16, 2017 9:09 AM
> **To:** Arnold, Nathan; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie;

Foss, Ian; Utz, Jon; Alfuth, Jon
Subject: RE: Capitalization discussion

Can we get some background for this discussion? What is the particular issue that has sparked this meeting?

Brian

-----Original Appointment-----
From: Arnold, Nathan
Sent: Wednesday, March 15, 2017 2:41 PM
To: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Siegel, Brian; Utz, Jon; Alfuth, Jon
Subject: Capitalization discussion
When: Friday, March 17, 2017 12:30 PM-1:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Under Secretary's office (7E307) or (b)(6)

We would like to understand the divergence in treatment of capitalization under 682.211(f)(11) for FFEL, ED-held, and to the extent it is applicable, DL. Please let me know if others should be added to this meeting invitation.

<CRI Letter to ED_ Capped Int Guidance 1-12-17.pdf>

From: Utz, Jon
Sent: 17 Mar 2017 14:43:03 +0000
To: Foss, Ian
Subject: RE: Capitalization discussion

Well, I had no recollection of digging up the 1999 document in 2014, but clearly I did. I was really hoping to find a comment/discussion in the preamble to the 1999 Final Rule, but there was nothing. If in fact this was made clear at the negotiating table, you'd think there would be something in the preamble. I was there at the time, but have no recollection of what Pam or someone else remembers us telling them. I do remember that ACS raised a big fuss.

From: Foss, Ian
Sent: Friday, March 17, 2017 10:36 AM
To: Utz, Jon
Subject: RE: Capitalization discussion

I had seemed to recall someone (maybe Pam), telling them we clearly told them this at the negotiating table when we were negotiating the rule, and everyone in the FFELP industry just ignored it. (b)(5)
(b)(5)
(b)(5) Thanks to you for finding it a few years ago!

The only thing that might be different between this document and what we've told our servicers is that we recently told them that this interest *never* capitalizes, whereas this document seems to state that, for the forbearance from changing plans or moving into deferment or forbearance, interest could capitalize if the borrower didn't provide any necessary documentation to support the request.

<< Message: FW: Responses to DL Servicing's Implementation Questions >>

From: Utz, Jon
Sent: Friday, 17 March, 2017 9:26
To: Foss, Ian
Subject: RE: Capitalization discussion

I know what we've told our servicers, but I didn't remember any discussion of this specific question when the 60-day non-capping forbearance provision was first added to the regulations after the 1998 amendments. I checked the preambles to the 1999 NPRM and Final Rule, and found nothing. However, I did find a 1999 document containing the following guidance that we provided to ACS (and I believe this is consistent with the guidance we've provided to our federal loan servicers more recently):

(b)(5)

(b)(5)

From: Arnold, Nathan
Sent: Thursday, March 16, 2017 8:01 PM
To: Siegel, Brian; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Utz, Jon; Alfuth, Jon
Subject: RE: Capitalization discussion

Sure. (b)(5)

(b)(5)

Please let me know if I can provide anything further that will aid our discussion.

Nathan

<< File: CRI Letter to ED_ Capped Int Guidance 1-12-17.pdf >>

From: Siegel, Brian

Sent: Thursday, March 16, 2017 9:09 AM
To: Arnold, Nathan; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Utz, Jon; Alfuth, Jon
Subject: RE: Capitalization discussion

Can we get some background for this discussion? What is the particular issue that has sparked this meeting?

Brian

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To: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Siegel, Brian; Utz, Jon; Alfuth, Jon
Subject: Capitalization discussion
When: Friday, March 17, 2017 12:30 PM-1:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Under Secretary's office (7E307) or (b)(6)

We would like to understand the divergence in treatment of capitalization under 682.211(f)(11) for FFEL, ED-held, and to the extent it is applicable, DL. Please let me know if others should be added to this meeting invitation.

From: Foss, Ian
Sent: 17 Mar 2017 14:37:49 +0000
To: Arnold, Nathan
Subject: RE: Capitalization discussion
Attachments: RE: ED Guidance - Capitalized Interest

Here you go.

From: Arnold, Nathan
Sent: Friday, 17 March, 2017 8:42
To: Foss, Ian
Subject: Re: Capitalization discussion

No, just got background for Gail

On Mar 17, 2017, at 8:23 AM, Foss, Ian <Ian.Foss@ed.gov> wrote:

> Did anyone forward you our internal email string about this?
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> On Mar 16, 2017, at 20:00, Arnold, Nathan <Nathan.Arnold@ed.gov> wrote:
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> **Sent:** Thursday, March 16, 2017 9:09 AM
> **To:** Arnold, Nathan; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Utz, Jon; Alfuth, Jon
> **Subject:** RE: Capitalization discussion
>
> Can we get some background for this discussion? What is the particular issue that has sparked this meeting?

Brian

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From: Arnold, Nathan
Sent: Wednesday, March 15, 2017 2:41 PM
To: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Siegel, Brian; Utz, Jon; Alfuth, Jon
Subject: Capitalization discussion
When: Friday, March 17, 2017 12:30 PM-1:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Under Secretary's office (7E307) or (b)(6)

We would like to understand the divergence in treatment of capitalization under 682.211(f)(11) for FFEL, ED-held, and to the extent it is applicable, DL. Please let me know if others should be added to this meeting invitation.

<CRI Letter to ED_ Capped Int Guidance 1-12-17.pdf>

From: Siegel, Brian
Sent: 3 Mar 2017 13:45:24 +0000
To: McLarnon, Gail;Foss, Ian
Cc: Weisman, Annmarie;Smith, Brian;Utz, Jon;Kane, Rachel
Subject: RE: ED Guidance - Capitalized Interest

(b)(5)

Brian

From: McLarnon, Gail
Sent: Thursday, March 02, 2017 4:44 PM
To: Foss, Ian; Siegel, Brian
Cc: Weisman, Annmarie; Smith, Brian; Utz, Jon; Kane, Rachel
Subject: RE: ED Guidance - Capitalized Interest

Wow, interesting. Thanks.

From: Foss, Ian
Sent: Thursday, March 02, 2017 3:47 PM
To: Siegel, Brian; McLarnon, Gail
Cc: Weisman, Annmarie; Smith, Brian; Utz, Jon; Kane, Rachel
Subject: RE: ED Guidance - Capitalized Interest

(b)(5)

From: Siegel, Brian
Sent: Thursday, March 02, 2017 2:29 PM
To: McLarnon, Gail; Foss, Ian
Cc: Weisman, Annmarie; Smith, Brian
Subject: RE: ED Guidance - Capitalized Interest

(b)(5)

Brian

From: McLarnon, Gail
Sent: Thursday, March 02, 2017 8:51 AM
To: Siegel, Brian; Foss, Ian
Cc: Weisman, Annmarie; Smith, Brian
Subject: FW: ED Guidance - Capitalized Interest

Hi Brian and Ian, Please see the attached letter requesting guidance on capitalizing accrued interest for administrative forbearances that are granted to collect documentation. (b)(5)

(b)(5)

From: Brown, Johan
Sent: Thursday, March 02, 2017 8:42 AM
To: McLarnon, Gail
Subject: FW: ED Guidance - Capitalized Interest

Good Morning Ms. McLarnon:

Please see the attached letter from the FFEL Guarantor's Common Review Initiative group requesting policy guidance assistance.

Best Regards,

Ms. Johan Brown
Director, Northern Division
Financial Institution Oversight Service
Program Compliance/Federal Student Aid
U.S. Department of Education
Citigroup Center
500 West Madison Street, Suite 1551
Chicago, Il 60661
Phone: (312) 730-1642

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

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From: Wallace, Jerry
Sent: Wednesday, March 01, 2017 4:21 PM
To: Brown, Johan
Subject: RE: ED Guidance - Capitalized Interest

Johan

Request related to policy should be forwarded to Gail McLarnon.

Gail McLarnon
Senior Director, Policy Development, Analysis,
and Accreditation Service
Office of Postsecondary Education
Department of Education
202-219-7048
gail.mclarnon@ed.gov

Jerry W. Wallace
Director
Financial Institution Oversight Service
Office: (214) 661-9515
Fax: (214) 661-9581
E-Mail: Jerry.Wallace@ed.gov

StudentAid.gov

Federal Student Aid
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From: (b)(4); (b)(6) [mailto (b)(4); @ecmc.org]
Sent: Thursday, January 12, 2017 1:24 PM
To: Brown, Johan
Cc: (b)(4); (b)(6)
Subject: ED Guidance - Capitalized Interest

(b)(4); (b)(6)

Hi Johan,

As mentioned yesterday in CRI's monthly council call, we are in need of guidance from the Department. CRI and a servicer have different interpretations of capitalizing accrued interest for administrative forbearances that are granted to collect documentation. Please see the attached letter for more details. If any additional information is needed or you have questions please don't hesitate to contact me or (b)(4); (b)(6)

Thank you for your assistance in this matter.

(b)(4); (b)(6)
Director
Internal Audit Department

ECMC Group
P (b)(6)
F (b)(6)
(b)(4); (b)(6) @ecmc.org

From: Foss, Ian
Sent: 17 Mar 2017 14:36:05 +0000
To: Utz, Jon
Subject: RE: Capitalization discussion
Attachments: FW: Responses to DL Servicing's Implementation Questions

I had seemed to recall someone (maybe Pam), telling them we clearly told them this at the negotiating table when we were negotiating the rule, and everyone in the FFELP industry just ignored it. (b)(5)
(b)(5)
(b)(5) Thanks to you for finding it a few years ago!

The only thing that might be different between this document and what we've told our servicers is that we recently told them that this interest *never* capitalizes, whereas this document seems to state that, for the forbearance from changing plans or moving into deferment or forbearance, interest could capitalize if the borrower didn't provide any necessary documentation to support the request.

<< File: CRI Letter to ED_ Capped Int Guidance 1-12-17.pdf >>

From: Utz, Jon
Sent: Friday, 17 March, 2017 9:26
To: Foss, Ian
Subject: RE: Capitalization discussion

I know what we've told our servicers, but I didn't remember any discussion of this specific question when the 60-day non-capping forbearance provision was first added to the regulations after the 1998 amendments. I checked the preambles to the 1999 NPRM and Final Rule, and found nothing. However, I did find a 1999 document containing the following guidance that we provided to ACS (and I believe this is consistent with the guidance we've provided to our federal loan servicers more recently):

(b)(5)

(b)(5)

From: Arnold, Nathan
Sent: Thursday, March 16, 2017 8:01 PM
To: Siegel, Brian; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Utz, Jon; Alfuth, Jon
Subject: RE: Capitalization discussion

Sure. (b)(5)

(b)(5)

Please let me know if I can provide anything further that will aid our discussion.

Nathan

<< File: CRI Letter to ED_ Capped Int Guidance 1-12-17.pdf >>

From: Siegel, Brian
Sent: Thursday, March 16, 2017 9:09 AM
To: Arnold, Nathan; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Utz, Jon; Alfuth, Jon
Subject: RE: Capitalization discussion

Can we get some background for this discussion? What is the particular issue that has sparked this meeting?

Brian

-----Original Appointment-----
From: Arnold, Nathan
Sent: Wednesday, March 15, 2017 2:41 PM
To: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Siegel, Brian; Utz, Jon; Alfuth, Jon
Subject: Capitalization discussion
When: Friday, March 17, 2017 12:30 PM-1:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Under Secretary's office (7E307) or (b)(6)

We would like to understand the divergence in treatment of capitalization under 682.211(f)(11) for FFEL, ED-held, and to the extent it is applicable, DL. Please let me know if others should be added to this meeting invitation.

From: Utz, Jon
Sent: 4 Nov 2014 10:43:44 -0600
To: Foss, Ian
Subject: FW: Responses to DL Servicing's Implementation Questions
Attachments: DLSCguidance6.doc

Relate to the non-capping forbearance issue, see the "Forbearance" Q&As in the attached document from 1999, beginning on page 2. This seems to confirm that interest not subject to capitalization must be kept in a separate "bucket." I remember that there was much discussion and angst about the difficulties servicers would face in implementing the 60-day non-capping forbearance.

Also, I confirmed my recollection that the 60-day non-capping forbearance is in fact a statutory provision. See §428(c)(3)(D). This was added to the HEA by the 1998 amendments.

From: Meoli, Nicki
Sent: Monday, December 06, 1999 9:49 AM
To: Battle, Cynthia; Jackson, Lateata
Cc: Baker, Jeff; Beavan, Patricia; Busse, Sandra; Grayson, Barbara; Hayward, Dan; Moran, Pamela; Newcombe, Patricia; Smith, Kenneth; Utz, Jon; Watson, Donald
Subject: Responses to DL Servicing's Implementation Questions

Cindy and LaTeata--PDD has completed its review of the implementation questions DL Servicing submitted to us on 8/26 and 9/15. Attached is the document containing PDD's responses to the questions. As I discussed with Cindy in November and indicated in voicemails for both of you on Friday, the Direct Loan staff would like to meet with you to review the responses, provide clarification, and discuss follow up questions/concerns. I believe that using the response document to guide our discussions will maximize the effectiveness of our meeting. Please call me so that we can discuss the particulars in setting up the meeting. Thanks. Nicki

Capitalization of Interest--682.202

1. Do these new capitalization rule changes apply to Direct Loans?

   Response: No. The new rules governing the frequency of capitalization in the FFEL Program regulations do not apply to Direct Loan Program loans; they apply only to FFEL Program loans.

2. Can capitalization still occur annually for borrowers with a neg am interest balance?

   Response: Yes. There has been no change to the regulations related to the annual capitalization of unpaid interest when the scheduled payments of a borrower repaying a Direct Loan Program loan under the alternative or income contingent repayment plan do not cover the interest that has accrued on the loan.

Forbearance--682.211 and 685.205

At the time the borrower requests a deferment/forbearance, the borrower may be delinquent. Given this delinquency status, it raises the following questions:

1. In this condition, can the delinquency period prior to the 60 day forbearance be covered with an administrative forbearance and the interest capitalized?

   Response: Yes. The delinquency period prior to the 60-day non-capping forbearance period should be covered with an administrative forbearance, and the interest for that period may be capitalized.

2. If the delinquency is not covered with administrative forbearance, the borrower continues to roll increasingly delinquent given the first missed payment remains unchanged. This can create a condition in which the borrower may default. Should due diligence continue on this account for the delinquency period even though the borrower is in forbearance?

   Response: As noted in the response to #1, the delinquency period prior to the 60-day forbearance period should be covered with an administrative forbearance.

   Point of Clarification: If the delinquency period prior to the 60-day non-capping forbearance period was not covered with an administrative forbearance, the borrower would not "roll increasingly delinquent." The delinquency clock would stop at the begin date of the deferment/forbearance and resume again when the deferment/forbearance ends.

3. If the deferment begin date begins after the 60 day period and the borrower is delinquent prior to the 60 day period, current business practice would require the delinquency prior to the deferment be covered with an administrative forbearance. Does the administrative forbearance supersede the 60 day non-capping forbearance?

   Response: No. The administrative forbearance would not supersede the 60-day non-capping forbearance.

   If the answer is no, this will create a condition of a period of capping forbearance, non-capping forbearance, and deferment. Assuming Direct Loans maintains a single capitalization logic for a continuous state of suspension, is this condition considered a single state of suspension and should all the interest on the account capitalize except for the 60 day forbearance interest at the end of the deferment, or should the interest capitalize at the end of the administrative forbearance and at the end of the deferment?

   Response: The situation you describe would result in successive periods of capping forbearance, non-capping forbearance, and deferment. The capping forbearance, non-capping forbearance, deferment sequence should be considered a continuous state of suspension. Therefore, all interest that accrues during the capping forbearance and the deferment would be capitalized at the end of the deferment period. The interest that accrues during the 60-day non-capping forbearance would not be capitalized.

4. If the actual deferment/forbearance begin date (indicated on the deferment/forbearance form received from the borrower) is prior to the 60 day non-capping forbearance, does the new request supersede the 60 day period?

   Response: Yes. If the actual begin date of a deferment or forbearance is prior to the 60-day non-capping forbearance, the deferment or forbearance would supersede the 60-day non-capping forbearance.

5. If the borrower does not provide the requested information, can the interest accrued during the 60 day period capitalize?

   Response: Yes, in the case of a deferment, forbearance, or repayment plan change. If the borrower does not make any attempt at all to provide the requested/required information by the end of the 60-day non-capping forbearance period, the interest that has accrued during the period should be capitalized. (See the response to #7 for information about handling this situation in the case of a consolidation application.)

6. Can the interest preceding the 60 day period be capitalized at the end of the following deferment/forbearance period assuming the new forbearance/deferment begins after the 60 day period?

   Response: Yes. As stated previously, the capitalization of interest that accrues during a continuous state of suspension, except for the interest that accrues during the 60-day non-capping forbearance period, would be capitalized at the end of the deferment or forbearance period.

7. Should Direct Loans automatically suspend collection efforts upon receipt of a DCN transaction from Loan Consolidation? Upon receipt of an FFEL certification request?

   Response: A 60-day non-capping forbearance related to a borrower applying for a consolidation loan should be applied based on any one of the following events--

   - The borrower notifies the DLSC by phone or in writing that he or she has applied for a consolidation loan and provides the name of the lender to whom he or she submitted the application and the date on which he or she submitted the application;
   - The DLSC receives a DCN transaction requesting verification/payoff information for consolidation under the Direct Loan Program; or
   - The DLSC receives a request for verification/pay off information for consolidation under the FFEL Program.

   If a 60-day non-capping forbearance is applied based on a borrower's notification by phone or in writing that he or she has applied for a consolidation loan and the DCN transaction or FFEL Program verification certificate is not received by the end of the 60-day non-capping forbearance period, the interest that has accrued during the period should not be capitalized automatically. Through no fault of the borrower, the request for verification/payoff information may not be sent in a timely manner. Provided that the request for verification/payoff information is eventually received, the interest that accrued during the 60-day non-capping forbearance period should not

be capitalized.

8. If the deferment received is rejected, should another 60 days automatically be applied?

   Response: No. A borrower is entitled to the non-capping forbearance for a maximum period of 60 days per qualifying event (deferment, forbearance, consolidation application, or repayment plan change). If the requested/required information that a borrower submits for a particular qualifying event is incomplete and/or incorrect at the expiration of the 60-day period, another 60-day non-capping forbearance period may not be applied for that qualifying event. The borrower would, however, be entitled to a 60-day non-capping forbearance for any subsequent qualifying event.

9. Does this provision apply to borrowers on ICR interest only payments awaiting alt doc, IRS waiver approval, or AGI from the IRS?

   Response: Yes, but only in the case of borrowers who are *changing* from the standard, extended, or graduated repayment plan into the income contingent repayment plan. These borrowers are entitled to a 60-day non-capping forbearance.

Grace Period for Military Service--682.209 and 685.207

1. By what method will Direct Loans be advised of a borrower's eligibility?

   Response: The borrower or a family member will notify the DLSC by phone or letter. The DLSC may initiate the action to the borrower's account based on this contact.

2. Is any documentation required from the borrower to support the request for the extended grace period?

   Response: Yes. The borrower or a family member must submit written documentation that the borrower has been called or ordered to active duty for a period longer than 30 days. Documentation that indicates that the borrower has been called or ordered to duty for an indefinite period of time is acceptable.

3. Should the grace period automatically be extended to the maximum 4 years (3 years of service plus 1 year to re-enroll)?

   Response: There is a maximum three-year period for each call or order to active duty. This maximum three-year period includes the active duty service and the time necessary to re-enroll. If there is no indication of the end date of the borrower's service, the maximum three-year period may be initially applied. However, borrowers must be informed in writing of their obligation to notify the DLSC when they return from service and to discuss with the DLSC their plans for re-enrollment.

4. What is meant by "resume enrollment at the next available regular enrollment period?"

   Response: The period of time that is excluded from the borrower's grace period includes the time necessary for the borrower to resume enrollment at the next available regular enrollment period after returning from active duty service. This allows for the fact that not all borrowers will be able to re-enroll immediately upon their return from service or may re-enroll in a new program of study. While we have not established a limit on the re-enrollment period in regulations, we believe that 12 months generally allows more than ample time for the majority of borrowers to re-enroll.

5. We are allowing an "extra" grace period for those borrowers called to active duty while in grace. What about the borrower who is "in-school" and gets called?

   Response: This provision applies to borrowers who are in either the grace or in-school period when they are called or ordered to active duty for longer than 30 days. In either case, the borrower's account should be suspended and coded in the system as a suspension for military service. A borrower who re-enrolls in school upon returning from active duty service would get a full six-month grace period at the time the borrower drops below half-time enrollment. A borrower who does not re-enroll upon returning from active duty service would get a full six-month grace period at that time.

Unemployment Deferment--682.210

1. The Unemployment Deferment Request Form should still be completed, however, if the borrower provides evidence of the unemployment benefits, the agency registration and firm listing will not be required.

   Response: We agree with this approach. Until we are able to clear a revised version of the Unemployment Deferment Request Form, all borrowers who apply for unemployment deferments must be provided with revised instructions. This includes borrowers who obtain Unemployment Deferment Request Forms from the DLSC, from our web site, and from schools.

2. The Direct Loan Servicing Center will require additional guidance on the acceptable forms of documentation to support unemployment benefit eligibility. The DLSC is not currently familiar with the various types of unemployment evidence borrowers will be eligible to provide.

   Response: There is no uniform documentation showing eligibility for unemployment insurance benefits. The documentation varies from state to state. However, for the purposes of the unemployment deferment, the documentation must prove that the borrower is eligible to receive the unemployment insurance benefits for some period of time during the period for which the borrower is requesting the deferment. To meet this requirement, the documentation must, at a minimum, include the borrower's name, address, SSN, and the dates of the borrower's eligibility for unemployment insurance benefits. (Note: These dates may not necessarily correspond to the begin and end dates of the deferment.)

Unpaid Refund Discharge--682.402 and 685.215

1. Significant changes to existing DLSC operations procedures for the handling of discharges on "open" schools. Will require guidance on borrower documentation requirements, procedures for notification to the schools of disputed refunds, procedures for borrower notification of unpaid refund disputes and final discharge procedures for the loan balances.

   Response: We acknowledge that implementing the unpaid refund discharge is a significant task and are ready to assist the DLSC in completing it. To facilitate our work together, we would like the DLSC to draft procedures for implementing the unpaid refund discharge and submit those procedures to us for review. We propose handling specific questions that arise during the drafting of the procedures in one of two ways--the DLSC could submit those questions to us during the course of developing the draft procedures or wait and submit the questions when they submit the draft procedures for review.

From: Arnold, Nathan
Sent: 17 Mar 2017 00:00:36 +0000
To: Siegel, Brian;Mahaffie, Lynn;McLarnon, Gail;Weisman, Annmarie;Foss, Ian;Utz, Jon;Alfuth, Jon
Subject: RE: Capitalization discussion
Attachments: CRI Letter to ED_ Capped Int Guidance 1-12-17.pdf

Sure. (b)(5)

(b)(5)

Please let me know if I can provide anything further that will aid our discussion.

Nathan

From: Siegel, Brian
Sent: Thursday, March 16, 2017 9:09 AM
To: Arnold, Nathan; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Utz, Jon; Alfuth, Jon
Subject: RE: Capitalization discussion

Can we get some background for this discussion? What is the particular issue that has sparked this meeting?

Brian

-----Original Appointment-----
From: Arnold, Nathan
Sent: Wednesday, March 15, 2017 2:41 PM
To: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Siegel, Brian; Utz, Jon; Alfuth, Jon
Subject: Capitalization discussion
When: Friday, March 17, 2017 12:30 PM-1:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Under Secretary's office (7E307) or (b)(6)

We would like to understand the divergence in treatment of capitalization under 682.211(f)(11) for FFEL, ED-held, and to the extent it is applicable, DL. Please let me know if others should be added to this meeting invitation.

CRI
Common Review Initiative

January 12, 2017

Ms. Johan Brown
Director, Northern Division
U.S. Department of Education, Financial Institution Oversight Service
Citigroup Center
500 West Madison Street, Suite 1551
Chicago, IL 60661

Re: Guidance on 34 CFR §682.211(f)(11) – capitalization of interest

Dear Ms. Brown,

CRI is seeking clarification from the U.S. Department of Education (ED) on regulation §682.211(f)(11) which states:

"A lender may grant forbearance, upon notice to the borrower or if applicable, the endorser, with respect to payments of interest and principal that are overdue or would be due for a period not to exceed 60 days necessary for the lender to collect and process documentation supporting the borrower's request for a deferment, forbearance, change in repayment plan, or consolidation loan. Interest that accrues during this period is not capitalized."

(b)(5)

(b)(5)

We appreciate your guidance regarding this issue. If you have any questions or need additional information, please contact me at (b)(4); (b)(6) @ecmc.org or (b)(6)

Sincerely,

(b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6) Chair

From: Siegel, Brian
Sent: 17 Mar 2017 18:48:04 +0000
To: Utz, Jon;Arnold, Nathan;Mahaffie, Lynn;McLarnon, Gail;Weisman, Annmarie;Foss, Ian;Alfuth, Jon
Subject: RE: Capitalization discussion

FYI – I checked the legislative history on the statutory provisions from the '98 Amendments to the HEA. The statutory provision barring capitalization of the interest that accrues during the forbearance period wasn't added until the conference committee version and there isn't any discussion of it in the Conference Committee report or in the limited floor discussion of the bill.

Brian

From: Utz, Jon
Sent: Friday, March 17, 2017 1:16 PM
To: Arnold, Nathan; Siegel, Brian; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Alfuth, Jon
Subject: RE: Capitalization discussion

The attached December 1999 email contains the Q&A document that Ian and I mentioned during today's call. The Q&As related to the non-capping forbearance provision start on page 2. Specifically, see #3 on page 2.

The HEA citations for the 60-day non-capping forbearance provision are §§428(c)(3)(D) and 428H(e)(7).

From: Arnold, Nathan
Sent: Thursday, March 16, 2017 8:01 PM
To: Siegel, Brian; Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Utz, Jon; Alfuth, Jon
Subject: RE: Capitalization discussion

Sure. (b)(5)

(b)(5)

Please let me know if I can provide anything further that will aid our discussion.

Nathan

<< File: CRI Letter to ED_ Capped Int Guidance 1-12-17.pdf >>

From: Siegel, Brian

Sent: Thursday, March 16, 2017 9:09 AM
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Subject: RE: Capitalization discussion

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To: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Foss, Ian; Siegel, Brian; Utz, Jon; Alfuth, Jon
Subject: Capitalization discussion
When: Friday, March 17, 2017 12:30 PM-1:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Under Secretary's office (7E307) or (b)(6)

We would like to understand the divergence in treatment of capitalization under 682.211(f)(11) for FFEL, ED-held, and to the extent it is applicable, DL. Please let me know if others should be added to this meeting invitation.

From: Utz, Jon
Sent: 2 Sep 2015 16:05:20 +0000
To: Foss, Ian
Subject: RE: Capitalization Information

Thanks. (b)(5)

(b)(5)

From: Foss, Ian
Sent: Wednesday, September 02, 2015 11:53 AM
To: Utz, Jon
Subject: RE: Capitalization Information

(b)(5)

From: Utz, Jon
Sent: Wednesday, September 02, 2015 10:54 AM
To: Foss, Ian
Subject: FW: Capitalization Information

(b)(5)

(b)(5)

From: Chesley, Susan
Sent: Wednesday, September 02, 2015 9:45 AM
To: Utz, Jon; Hoblitzell, Barbara
Cc: Smith, Brian; Foss, Ian
Subject: RE: Capitalization Information

(b)(5)

From: Utz, Jon
Sent: Tuesday, September 01, 2015 2:06 PM
To: Chesley, Susan; Hoblitzell, Barbara
Cc: Smith, Brian; Foss, Ian
Subject: RE: Capitalization Information

(b)(5)

From: Chesley, Susan
Sent: Tuesday, September 01, 2015 2:04 PM
To: Utz, Jon; Hoblitzell, Barbara
Cc: Smith, Brian; Foss, Ian
Subject: RE: Capitalization Information

Ok, thank you.

From: Utz, Jon
Sent: Tuesday, September 01, 2015 2:02 PM
To: Hoblitzell, Barbara; Chesley, Susan
Cc: Smith, Brian; Foss, Ian
Subject: RE: Capitalization Information

(b)(5)

(b)(5)

From: Hoblitzell, Barbara
Sent: Tuesday, September 01, 2015 1:34 PM
To: Chesley, Susan
Cc: Utz, Jon; Smith, Brian; Foss, Ian
Subject: Re: Capitalization Information

Yes, (b)(5)

On Sep 1, 2015, at 1:32 PM, Chesley, Susan <Susan.Chesley@ed.gov> wrote:

(b)(5)

From: Chesley, Susan
Sent: Tuesday, September 01, 2015 1:25 PM
To: Hoblitzell, Barbara; Utz, Jon
Cc: Smith, Brian; Foss, Ian
Subject: RE: Capitalization Information

(b)(5)

Thanks,
Susan

From: Hoblitzell, Barbara
Sent: Tuesday, September 01, 2015 12:29 PM
To: Utz, Jon
Cc: Smith, Brian; Chesley, Susan; Foss, Ian
Subject: Re: Capitalization Information

Thanks, Jon. (b)(5)

(b)(5)

On Sep 1, 2015, at 12:26 PM, Utz, Jon <Jon.Utz@ed.gov> wrote:

This is basically accurate, but note the following:

(b)(5)

(b)(5)

From: Chesley, Susan
Sent: Tuesday, September 01, 2015 11:12 AM
To: Smith, Brian; Hoblitzell, Barbara; Utz, Jon
Subject: RE: Capitalization Information

All,

(b)(5)

(b)(5)

From: Smith, Brian
Sent: Tuesday, September 01, 2015 10:37 AM
To: Hoblitzell, Barbara; Utz, Jon
Cc: Chesley, Susan
Subject: RE: Capitalization Information

Jon,

Can you verify that this is how capitalization works in the current IDR plans?

Brian

From: Hoblitzell, Barbara
Sent: Tuesday, September 01, 2015 10:27 AM
To: Smith, Brian
Cc: Chesley, Susan
Subject: FW: Capitalization Information

True?

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 10:05 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara; Goldenberg, Daniel
Subject: RE: Capitalization Information

So: under reg as currently written, interest capitalized in two instances:

(b)(5)

Thanks for clarifying.

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Tuesday, September 01, 2015 9:49 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>

Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>; Goldenberg, Daniel <Daniel.Goldenberg@ed.gov>
Subject: RE: Capitalization Information

Interest capitalizes only during forbearance and deferments of unsubsidized loans.

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 9:43 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara; Goldenberg, Daniel
Subject: RE: Capitalization Information

Does interest ever capitalize?

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Tuesday, September 01, 2015 9:42 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>; Goldenberg, Daniel <Daniel.Goldenberg@ed.gov>
Subject: RE: Capitalization Information

Erin,

(b)(5)

Thanks,
Susan

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 9:29 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara
Subject: RE: Capitalization Information

Susan – (b)(5)

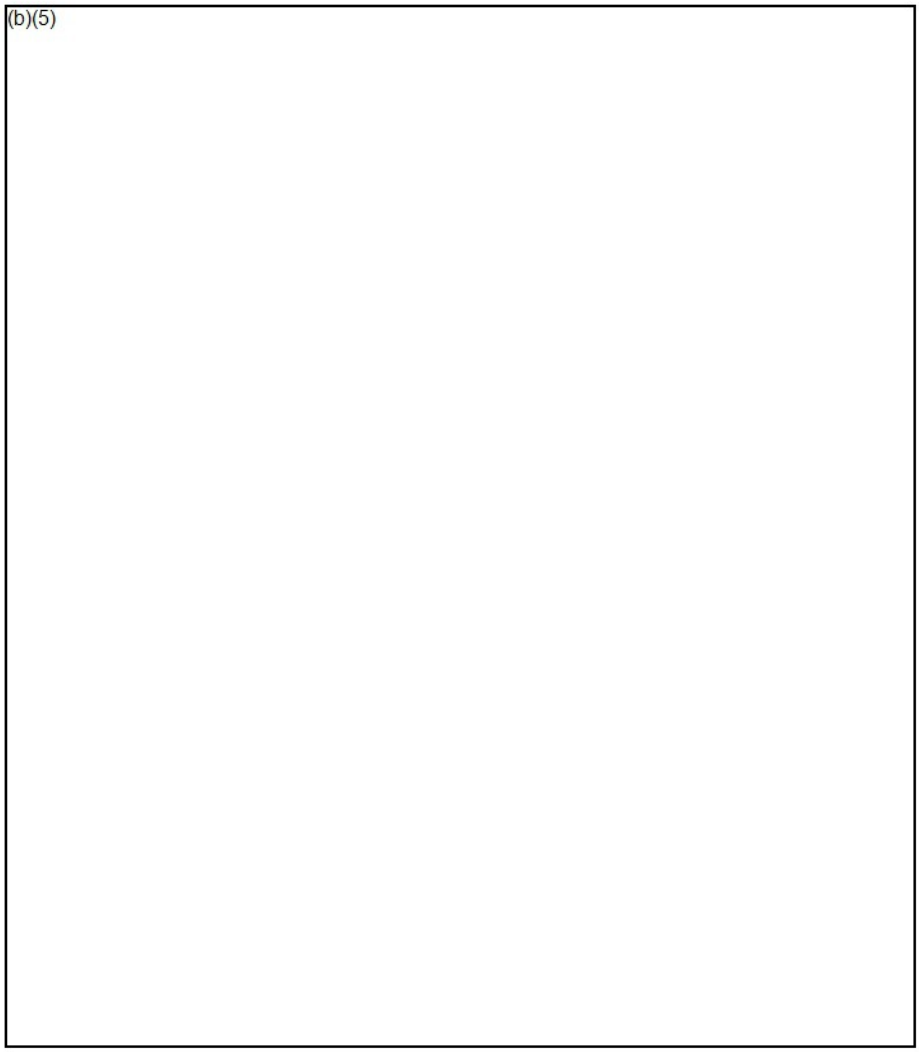
(b)(5)

(b)(5) Thanks!

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Monday, August 31, 2015 11:34 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>
Subject: Capitalization Information

Erin,
Please see below for the results of our further analysis of the capitalization question. Please let us know if you have any questions.
Thank you,
Susan

(b)(5)

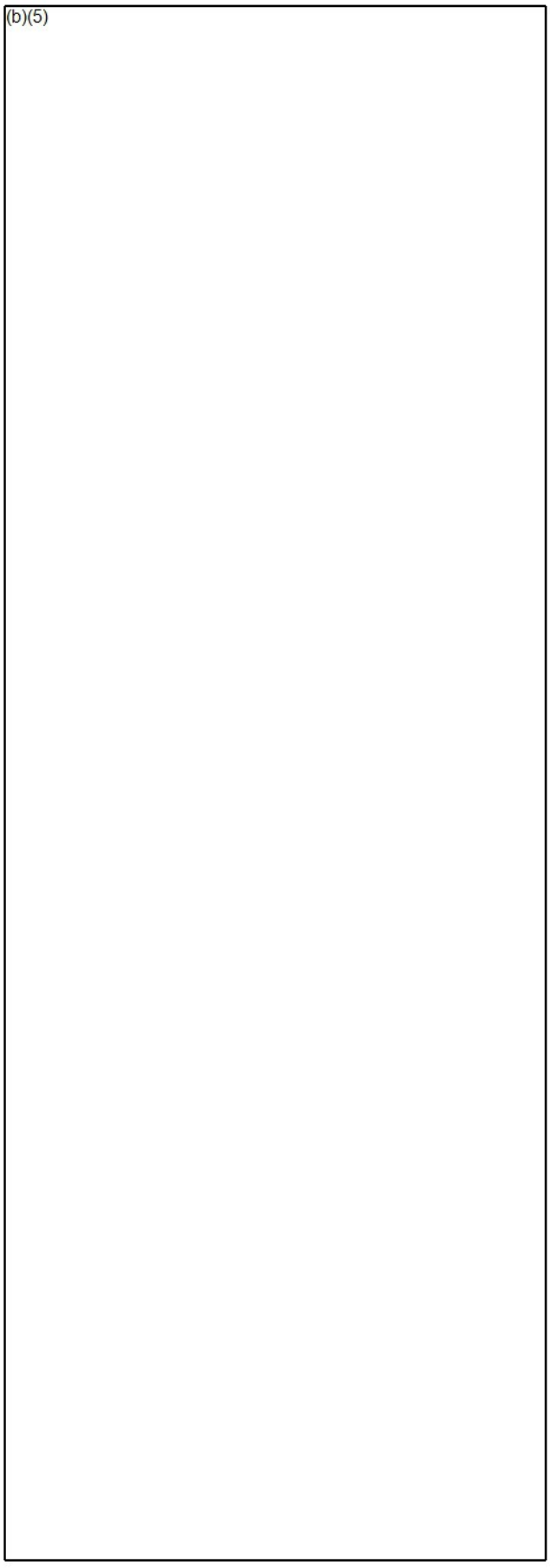

(b)(5)

From: Hoblitzell, Barbara
Sent: 1 Sep 2015 18:06:50 +0000
To: Foss, Ian
Subject: Re: Capitalization Information

Ahhhh. (b)(5)

On Sep 1, 2015, at 2:06 PM, Foss, Ian <Ian.Foss@ed.gov> wrote:

> Yeah. (b)(5)
>
> On Sep 1, 2015, at 14:05, Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov> wrote:
>
> (b)(5)
>
> **From:** Foss, Ian
> **Sent:** Tuesday, September 01, 2015 1:51 PM
> **To:** Hoblitzell, Barbara
> **Subject:** Re: Capitalization Information
>
> (b)(5)
>
> On Sep 1, 2015, at 12:28, Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov> wrote:
>
> (b)(5)
>
> On Sep 1, 2015, at 12:26 PM, Utz, Jon <Jon.Utz@ed.gov> wrote:
>
> This is basically accurate, but note the following:
>
> (b)(5)


(b)(5)

(b)(5)

From: Chesley, Susan
Sent: Tuesday, September 01, 2015 11:12 AM
To: Smith, Brian; Hoblitzell, Barbara; Utz, Jon
Subject: RE: Capitalization Information

All,

(b)(5)

From: Smith, Brian
Sent: Tuesday, September 01, 2015 10:37 AM
To: Hoblitzell, Barbara; Utz, Jon
Cc: Chesley, Susan
Subject: RE: Capitalization Information

Jon,

Can you verify that this is how capitalization works in the current IDR plans?

Brian

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Sent: Tuesday, September 01, 2015 10:27 AM
To: Smith, Brian
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True?

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Sent: Tuesday, September 01, 2015 10:05 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara; Goldenberg, Daniel
Subject: RE: Capitalization Information

So: under reg as currently written, interest capitalized in two instances:

(b)(5)

Thanks for clarifying.

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Tuesday, September 01, 2015 9:49 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>; Goldenberg, Daniel <Daniel.Goldenberg@ed.gov>
Subject: RE: Capitalization Information

(b)(5)

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 9:43 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara; Goldenberg, Daniel
Subject: RE: Capitalization Information

Does interest ever capitalize?

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Tuesday, September 01, 2015 9:42 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>; Goldenberg, Daniel <Daniel.Goldenberg@ed.gov>
Subject: RE: Capitalization Information

Erin,

(b)(5)

Thanks,
Susan

From: O'Brien, Erin [mailto(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 9:29 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara
Subject: RE: Capitalization Information

Susan –(b)(5)

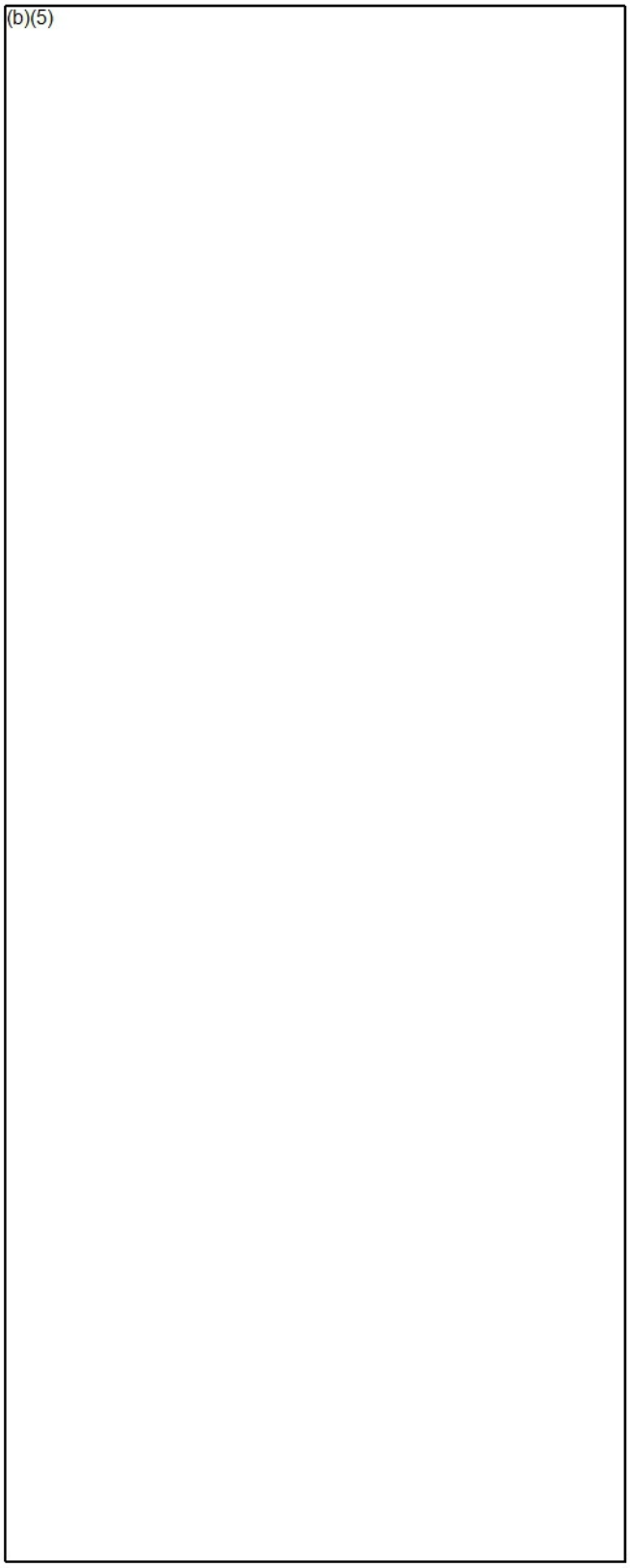
(b)(5)

(b)(5) Thanks!

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Monday, August 31, 2015 11:34 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>
Subject: Capitalization Information

Erin,

(b)(5)


(b)(5)

From: Chesley, Susan
Sent: 1 Sep 2015 17:10:43 +0000
To: Hoblitzell, Barbara;Utz, Jon
Cc: Smith, Brian;Foss, Ian
Subject: RE: Capitalization Information

Thank you all, I will send a reply to Erin and hopefully we will get a resolution on the capitalization point.

From: Hoblitzell, Barbara
Sent: Tuesday, September 01, 2015 12:29 PM
To: Utz, Jon
Cc: Smith, Brian; Chesley, Susan; Foss, Ian
Subject: Re: Capitalization Information

Thanks, Jon. (b)(5)

(b)(5)

On Sep 1, 2015, at 12:26 PM, Utz, Jon <Jon.Utz@ed.gov> wrote:

> This is basically accurate, but note the following:
>
> (b)(5)

(b)(5)

From: Chesley, Susan
Sent: Tuesday, September 01, 2015 11:12 AM
To: Smith, Brian; Hoblitzell, Barbara; Utz, Jon
Subject: RE: Capitalization Information

All,

(b)(5)

From: Smith, Brian
Sent: Tuesday, September 01, 2015 10:37 AM
To: Hoblitzell, Barbara; Utz, Jon
Cc: Chesley, Susan
Subject: RE: Capitalization Information

Jon,

Can you verify that this is how capitalization works in the current IDR plans?

Brian

From: Hoblitzell, Barbara
Sent: Tuesday, September 01, 2015 10:27 AM
To: Smith, Brian
Cc: Chesley, Susan
Subject: FW: Capitalization Information

True?

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 10:05 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara; Goldenberg, Daniel
Subject: RE: Capitalization Information

So: under reg as currently written, interest capitalized in two instances:

(b)(5)

Thanks for clarifying.

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Tuesday, September 01, 2015 9:49 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>; Goldenberg, Daniel <Daniel.Goldenberg@ed.gov>
Subject: RE: Capitalization Information

Interest capitalizes only during forbearance and deferments of unsubsidized loans.

From: O'Brien, Erin [mailto:(b)(6) @omb.eop.gov]
Sent: Tuesday, September 01, 2015 9:43 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara; Goldenberg, Daniel
Subject: RE: Capitalization Information

Does interest ever capitalize?

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Tuesday, September 01, 2015 9:42 AM
To: O'Brien, Erin (b)(6) @omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>; Goldenberg, Daniel <Daniel.Goldenberg@ed.gov>
Subject: RE: Capitalization Information

Erin,

(b)(5)

Thanks,

Susan

From: O'Brien, Erin [mailto:(b)(6) @omb.eop.gov]
Sent: Tuesday, September 01, 2015 9:29 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara
Subject: RE: Capitalization Information

Susan – (b)(5)
(b)(5)
(b)(5) Thanks!

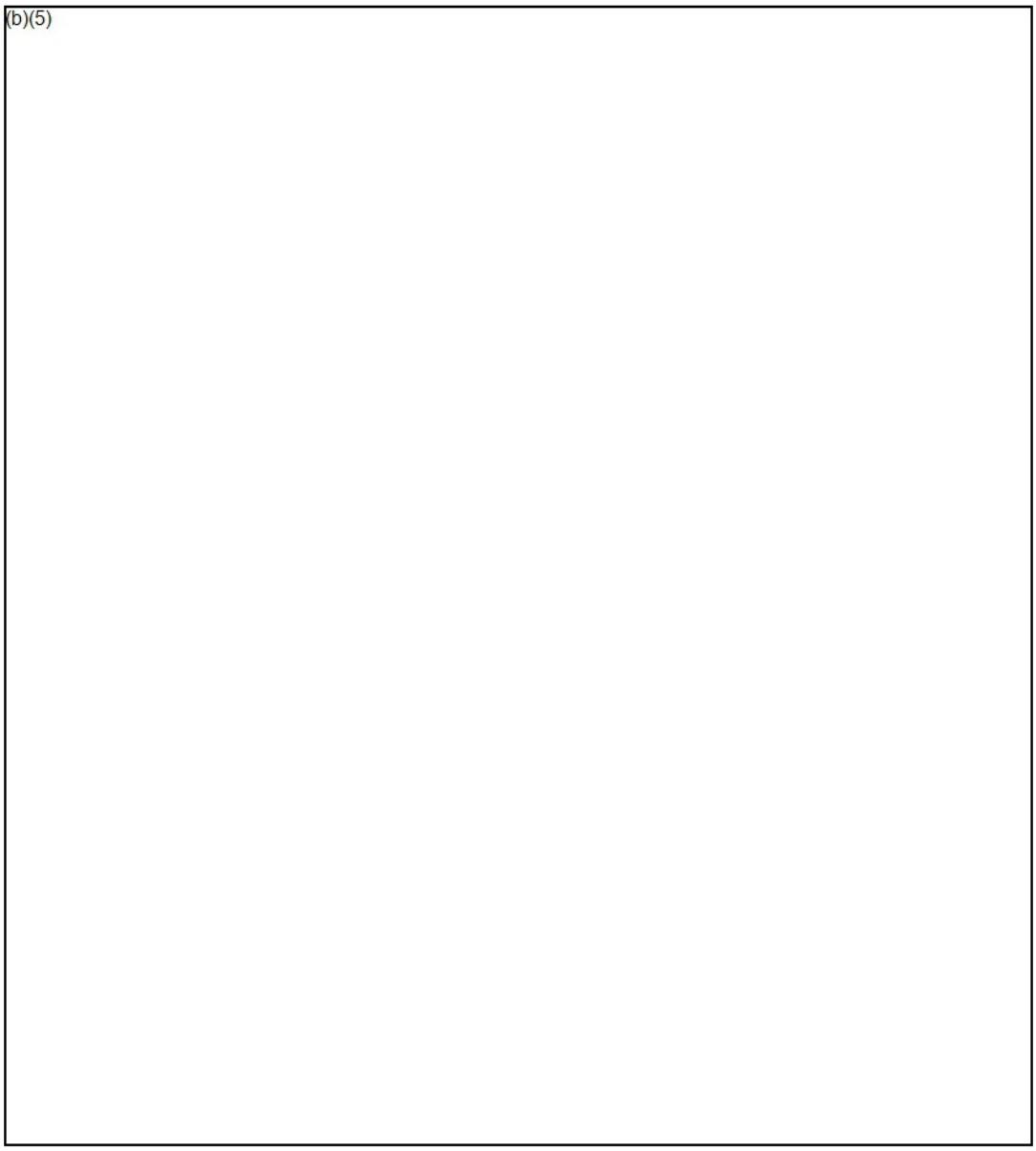
From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Monday, August 31, 2015 11:34 AM
To: O'Brien, Erin <(b)(6) @omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>
Subject: Capitalization Information

Erin,

(b)(5)

Thank you,

Susan



From: Foss, Ian
Sent: 1 Sep 2015 15:12:48 +0000
To: Utz, Jon
Subject: RE: Capitalization Information

I'll be over at your cube in a few.

From: Utz, Jon
Sent: Tuesday, September 01, 2015 11:08 AM
To: Foss, Ian
Subject: FW: Capitalization Information

(b)(5)

From: Smith, Brian
Sent: Tuesday, September 01, 2015 10:37 AM
To: Hoblitzell, Barbara; Utz, Jon
Cc: Chesley, Susan
Subject: RE: Capitalization Information

Jon,

Can you verify that this is how capitalization works in the current IDR plans?

Brian

From: Hoblitzell, Barbara
Sent: Tuesday, September 01, 2015 10:27 AM
To: Smith, Brian
Cc: Chesley, Susan
Subject: FW: Capitalization Information

True?

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 10:05 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara; Goldenberg, Daniel
Subject: RE: Capitalization Information

So: under reg as currently written, interest capitalized in two instances:

(b)(5)

(b)(5)

Thanks for clarifying.

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Tuesday, September 01, 2015 9:49 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>; Goldenberg, Daniel <Daniel.Goldenberg@ed.gov>
Subject: RE: Capitalization Information

Interest capitalizes only during forbearance and deferments of unsubsidized loans.

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 9:43 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara; Goldenberg, Daniel
Subject: RE: Capitalization Information

Does interest ever capitalize?

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Tuesday, September 01, 2015 9:42 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>; Goldenberg, Daniel <Daniel.Goldenberg@ed.gov>
Subject: RE: Capitalization Information

Erin,

Yes, interest would accrue, there would just not be the capitalization event of loss of PFH.

Thanks,

Susan

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 9:29 AM
To: Chesley, Susan

Cc: Hoblitzell, Barbara
Subject: RE: Capitalization Information

Susan – (b)(5)

(b)(5) Thanks!

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Monday, August 31, 2015 11:34 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>
Subject: Capitalization Information

Erin,

Please see below for the results of our further analysis of the capitalization question. Please let us know if you have any questions.

Thank you,

Susan

(b)(5)

From: Goldenberg, Daniel
Sent: 1 Sep 2015 13:52:27 +0000
To: Foss, Ian
Cc: Chesley, Susan
Subject: RE: Capitalization Information

Yes you are correct if would also apply to married borrowers filing separately given how they will be treated under REPAYE.

From: Foss, Ian
Sent: Monday, August 31, 2015 6:39 PM
To: Chesley, Susan; Goldenberg, Daniel
Subject: FW: Capitalization Information

(b)(5)

From: "Hoblitzell, Barbara"
Date: Monday, August 31, 2015 at 11:36
To: "Weisman, Annmarie", "McLarnon, Gail", "Smith, Brian", "Siegel, Brian", "Utz, Jon", Ian Foss, "Appel, Jeff"
Subject: Fwd: Capitalization Information

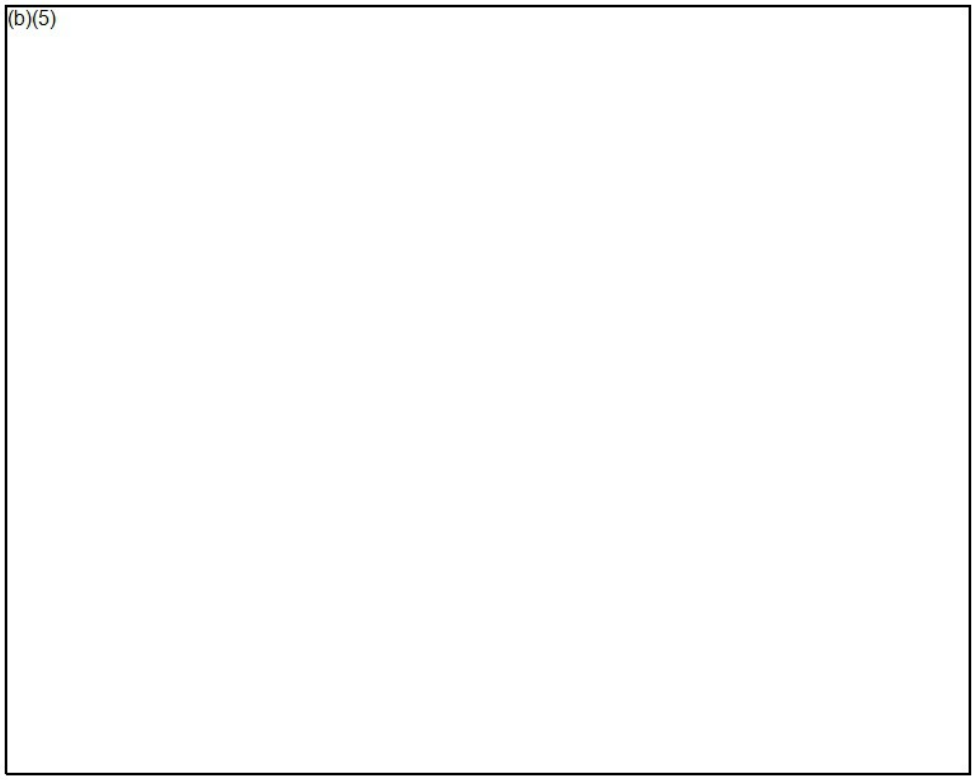
FYI

Begin forwarded message:

From: "Chesley, Susan" <Susan.Chesley@ed.gov>
Date: August 31, 2015 at 11:34:22 AM EDT
To: "O'Brien, Erin (b)(6) @omb.eop.gov)" (b)(6) @omb.eop.gov>
Cc: "Hoblitzell, Barbara" <Barbara.Hoblitzell@ed.gov>
Subject: Capitalization Information

Erin,
Please see below for the results of our further analysis of the capitalization question. Please let us know if you have any questions.
Thank you,
Susan

(b)(5)


(b)(5)

From: Hoblitzell, Barbara
Sent: 2 Sep 2015 21:18:57 +0000
To: Chesley, Susan
Cc: Smith, Brian;Utz, Jon;Foss, Ian;Weisman, Annmarie;McLarnon, Gail
Subject: Re: Capitalization Information

(b)(5)

On Sep 2, 2015, at 5:12 PM, Chesley, Susan <Susan.Chesley@ed.gov> wrote:

(b)(5)

From: Hoblitzell, Barbara
Sent: Wednesday, September 02, 2015 4:43 PM
To: Smith, Brian
Cc: Chesley, Susan; Utz, Jon; Foss, Ian; Weisman, Annmarie; McLarnon, Gail
Subject: Re: Capitalization Information

Erin had committed to a decision as soon as she had the data she needed to review with her management.

On Sep 2, 2015, at 4:00 PM, Smith, Brian <Brian.Smith@ed.gov> wrote:

(b)(5)

Brian

From: Chesley, Susan
Sent: Wednesday, September 02, 2015 2:37 PM
To: Utz, Jon; Hoblitzell, Barbara; Smith, Brian

Cc: Foss, Ian
Subject: RE: Capitalization Information

(b)(5)

From: Utz, Jon
Sent: Wednesday, September 02, 2015 2:24 PM
To: Chesley, Susan; Hoblitzell, Barbara; Smith, Brian
Cc: Foss, Ian
Subject: RE: Capitalization Information

(b)(5)

From: Chesley, Susan
Sent: Wednesday, September 02, 2015 2:20 PM
To: Utz, Jon; Hoblitzell, Barbara; Smith, Brian
Cc: Foss, Ian
Subject: RE: Capitalization Information

This makes sense to me. (b)(5)

(b)(5)

From: Utz, Jon
Sent: Wednesday, September 02, 2015 1:29 PM
To: Hoblitzell, Barbara; Smith, Brian; Chesley, Susan
Cc: Foss, Ian
Subject: FW: Capitalization Information

I've discussed this with both Ian and Brian. (b)(5)

(b)(5)

(b)(5)

From: Hoblitzell, Barbara
Sent: Wednesday, September 02, 2015 10:10 AM
To: Chesley, Susan
Cc: Utz, Jon; Smith, Brian; Foss, Ian
Subject: Re: Capitalization Information

I'll defer to Brian and Jon...

On Sep 2, 2015, at 9:44 AM, Chesley, Susan <Susan.Chesley@ed.gov> wrote:

(b)(5)

From: Utz, Jon
Sent: Tuesday, September 01, 2015 2:06 PM
To: Chesley, Susan; Hoblitzell, Barbara
Cc: Smith, Brian; Foss, Ian
Subject: RE: Capitalization Information

(b)(5)

From: Chesley, Susan
Sent: Tuesday, September 01, 2015 2:04 PM
To: Utz, Jon; Hoblitzell, Barbara
Cc: Smith, Brian; Foss, Ian
Subject: RE: Capitalization Information

Ok, thank you.

From: Utz, Jon
Sent: Tuesday, September 01, 2015 2:02 PM
To: Hoblitzell, Barbara; Chesley, Susan
Cc: Smith, Brian; Foss, Ian
Subject: RE: Capitalization Information

(b)(5)

From: Hoblitzell, Barbara
Sent: Tuesday, September 01, 2015 1:34 PM
To: Chesley, Susan
Cc: Utz, Jon; Smith, Brian; Foss, Ian
Subject: Re: Capitalization Information

(b)(5)

On Sep 1, 2015, at 1:32 PM, Chesley, Susan <Susan.Chesley@ed.gov> wrote:

(b)(5)

From: Chesley, Susan
Sent: Tuesday, September 01, 2015 1:25 PM
To: Hoblitzell, Barbara; Utz, Jon
Cc: Smith, Brian; Foss, Ian
Subject: RE: Capitalization Information

(b)(5)

Thanks,
Susan

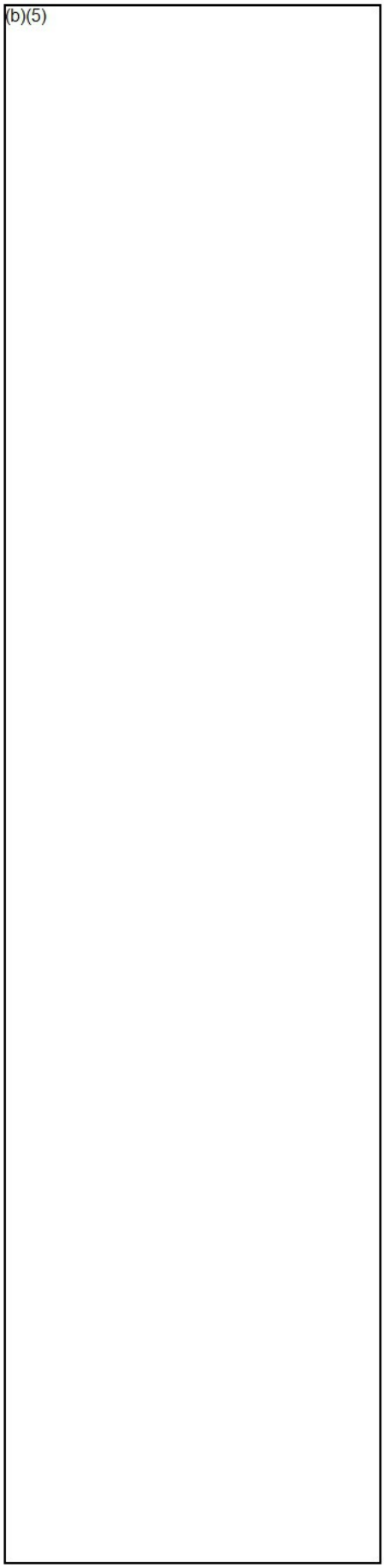
From: Hoblitzell, Barbara
Sent: Tuesday, September 01, 2015 12:29 PM

To: Utz, Jon
Cc: Smith, Brian; Chesley, Susan; Foss, Ian
Subject: Re: Capitalization Information

Thanks, Jon. It's also true that borrower who doesn't have a PFH could be negatively amortizing if they have substantial debt.

On Sep 1, 2015, at 12:26 PM, Utz, Jon <Jon.Utz@ed.gov> wrote:

> This is basically accurate, but note the following:
>
> (b)(5)


(b)(5)

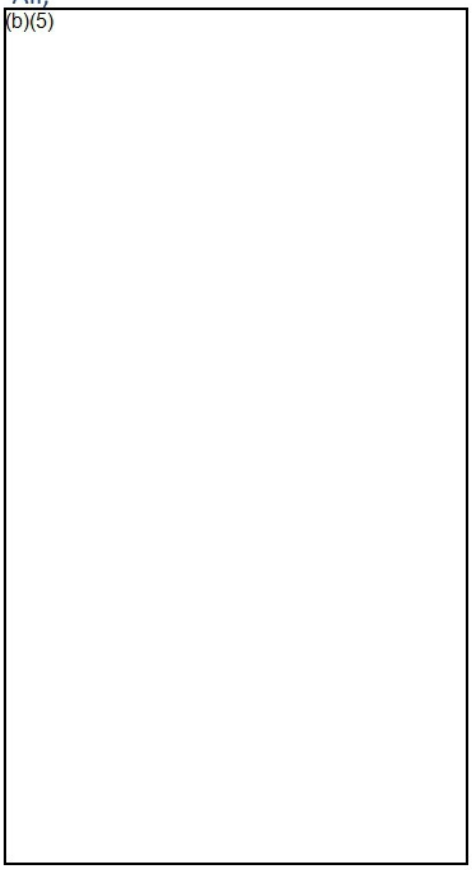
to provide) in our response, but I wanted to explain how interest capitalization works when there is a period of deferment or forbearance that ends during a PFH period.

4. In the lead-in to the response, where we say "As with the other IDR plans…", we should either add a parenthetical "(excluding ICR)" or say "As with IBR and PAYE…". ICR is an IDR plan, but unlike the other IDR plans it has a set capitalization schedule (annually) for unpaid interest resulting from negative amortization and there is no PFH concept in ICR.

From: Chesley, Susan
Sent: Tuesday, September 01, 2015 11:12 AM
To: Smith, Brian; Hoblitzell, Barbara; Utz, Jon
Subject: RE: Capitalization Information

All,

(b)(5)



(b)(5)

From: Smith, Brian
Sent: Tuesday, September 01, 2015 10:37 AM
To: Hoblitzell, Barbara; Utz, Jon
Cc: Chesley, Susan
Subject: RE: Capitalization Information

Jon,

(b)(5)

Brian

From: Hoblitzell, Barbara
Sent: Tuesday, September 01, 2015 10:27 AM
To: Smith, Brian
Cc: Chesley, Susan
Subject: FW: Capitalization Information

True?

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 10:05 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara; Goldenberg, Daniel
Subject: RE: Capitalization Information

So: under reg as currently written, interest capitalized in two instances:

(b)(5)

(b)(5)

Thanks for clarifying.

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Tuesday, September 01, 2015 9:49 AM
To: O'Brien, Erin (b)(6) @omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>; Goldenberg, Daniel <Daniel.Goldenberg@ed.gov>
Subject: RE: Capitalization Information

Interest capitalizes only during forbearance and deferments of unsubsidized loans.

From: O'Brien, Erin [mailto:(b)(6) @omb.eop.gov]
Sent: Tuesday, September 01, 2015 9:43 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara; Goldenberg, Daniel
Subject: RE: Capitalization Information

Does interest ever capitalize?

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Tuesday, September 01, 2015 9:42 AM
To: O'Brien, Erin (b)(6) @omb.eop.gov>

Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>; Goldenberg, Daniel <Daniel.Goldenberg@ed.gov>
Subject: RE: Capitalization Information

Erin,

(b)(5)

Thanks,
Susan

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Tuesday, September 01, 2015 9:29 AM
To: Chesley, Susan
Cc: Hoblitzell, Barbara
Subject: RE: Capitalization Information

Susan – (b)(5)

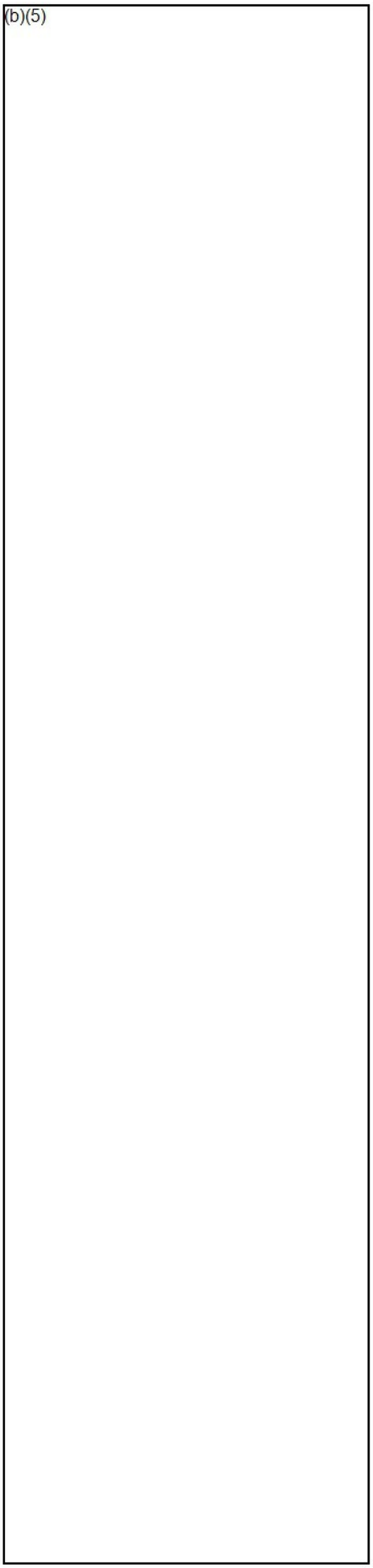
(b)(5)

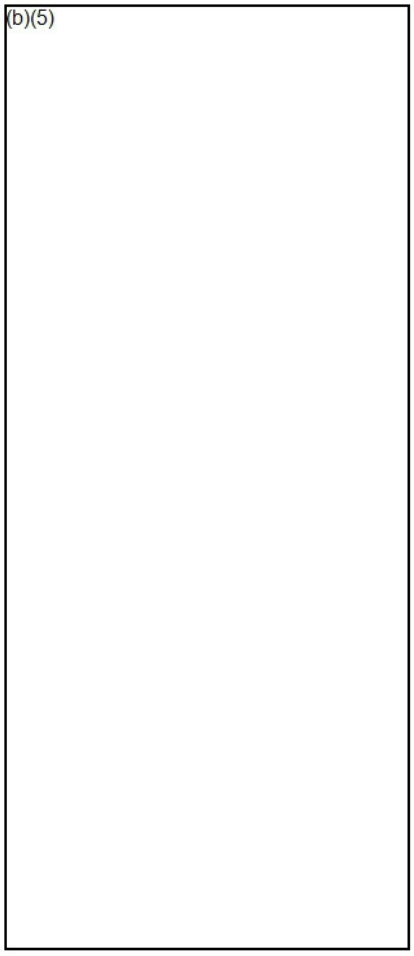
(b)(5) Thanks!

From: Chesley, Susan [mailto:Susan.Chesley@ed.gov]
Sent: Monday, August 31, 2015 11:34 AM
To: O'Brien, Erin <(b)(6)@omb.eop.gov>
Cc: Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov>
Subject: Capitalization Information

Erin,

(b)(5)


(b)(5)


(b)(5)

From: Foss, Ian
Sent: 24 Apr 2014 06:21:54 -0400
To: Battle, Cynthia
Subject: Re: Capitalization Issue - Discussion with Nelnet

We're still having this meeting?

From: Cynthia.Battle@ed.gov
When: 11:00 - 13:00 April 24, 2014
Subject: Capitalization Issue - Discussion with Nelnet
Location: TBD

Ian – meeting placeholder until the final arrangements have been confirmed. NN pulling together the background documentation so that we can review the issues. I'll confirm closer to the meeting date. Thanks!

From: Battle, Cynthia
Sent: 24 Apr 2014 08:04:50 -0500
To: Foss, Ian
Subject: RE: Capitalization Issue - Discussion with Nelnet

Oh my – no problem. I'll send a call in number. But, if you can't join – I understand. Hope he is feeling better soon!!

From: Foss, Ian
Sent: Thursday, April 24, 2014 9:01 AM
To: Battle, Cynthia
Subject: Re: Capitalization Issue - Discussion with Nelnet

Okay, I hate to do this to you, but I need to call-in to the meeting. I'm at home dealing with a horribly sick partner.

From: "Battle, Cynthia" <Cynthia.Battle@ed.gov>
Date: Thursday, April 24, 2014 at 8:59
To: Ian Foss <ian.foss@ed.gov>
Cc: "Wright, Rosalizes" <Rosalizes.Wright@ed.gov>
Subject: Capitalization Issue - Discussion with Nelnet

Ian – meeting placeholder until the final arrangements have been confirmed. NN pulling together the background documentation so that we can review the issues. I'll confirm closer to the meeting date. Thanks!

From: Utz, Jon
Sent: 28 Jul 2014 08:53:19 -0500
To: Foss, Ian;Musser, David;Heuerman, Sarah
Cc: Battle, Cynthia
Subject: RE: Capitalization of Interest

(b)(5)

From: Foss, Ian
Sent: Monday, July 28, 2014 9:39 AM
To: Musser, David; Heuerman, Sarah
Cc: Utz, Jon; Battle, Cynthia
Subject: RE: Capitalization of Interest

(b)(5)

This was handled in change request 1492, I believe.

From: Musser, David
Sent: Monday, July 28, 2014 9:26 AM
To: Heuerman, Sarah
Cc: Utz, Jon; Foss, Ian
Subject: RE: Capitalization of Interest

Hi Sarah,

(b)(5)

David Musser
Program Specialist
Policy Liaison and Implementation
Federal Student Aid
U.S. Department of Education

From: Heuerman, Sarah
Sent: Monday, July 28, 2014 9:16 AM
To: Musser, David
Subject: FW: Capitalization of Interest

Dave,

Is this a question for you guys?

(b)(5)

I added my responses below in red….

Thanks!
Sarah

From: (b)(6) [mailto:(b)(4); (b)(6)@nasfaa.org]
Sent: Friday, July 25, 2014 1:30 PM
To: Heuerman, Sarah
Cc: (b)(4); (b)(6)@salud.unm.edu); Battle, Cynthia; (b)(4); (b)(6)
Subject: Capitalization of Interest

Hi Sarah~

(b)(5)

Thanks in advance!

~david

(b)(4); (b)(6) | NASFAA | Content Development Specialist (b)(6)

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From: Foss, Ian
Sent: 5 May 2016 15:07:08 +0000
To: (b)(6)@gmail.com'
Subject: RE: capitalization of interest on student loans

Hello (b)(6)
My name is Ian Foss. I work at Federal Student Aid, in our policy office, where I work on issues related to student loans. Your inquiry was forwarded to me. I would like to look more into what is happening with your loans. However, I need your Social Security Number to look into the matter further.
Would you please call me at 202-377-3681 so that I can get that number from you? If I do not answer, please feel free to leave your Social Security Number on my voicemail.
Kind regards,
Ian Foss

From: (b)(6) [mailto:(b)(6)@gmail.com]
Sent: Tuesday, May 03, 2016 9:33 AM
To: Booth, Wayne
Subject: Re: 40955

Mr. Booth:
My question was not in regards to the FASA, rather about deferment process of student loans. Please see the email chain which has the original question.

(b)(6)

I would like to know if a rule exists when interest is capitalized on student loans when the loans are in a deferment status and the student is in school at least half-time for back-to-back semesters?

Thank you,

(b)(6)

From: Heuerman, Sarah
Sent: 28 Jul 2014 08:56:19 -0500
To: Foss, Ian;Musser, David
Cc: Utz, Jon;Battle, Cynthia
Subject: RE: Capitalization of Interest

Ian,

Thank you for your speedy response.

I will await Cindy's confirmation regarding the servicers.

Regards,
Sarah

From: Foss, Ian
Sent: Monday, July 28, 2014 9:39 AM
To: Musser, David; Heuerman, Sarah
Cc: Utz, Jon; Battle, Cynthia
Subject: RE: Capitalization of Interest

(b)(5)

This was handled in change request 1492, I believe.

From: Musser, David
Sent: Monday, July 28, 2014 9:26 AM
To: Heuerman, Sarah
Cc: Utz, Jon; Foss, Ian
Subject: RE: Capitalization of Interest

Hi Sarah,

(b)(5)

David Musser
Program Specialist
Policy Liaison and Implementation
Federal Student Aid
U.S. Department of Education

From: Heuerman, Sarah
Sent: Monday, July 28, 2014 9:16 AM
To: Musser, David
Subject: FW: Capitalization of Interest

Dave,

Is this a question for you guys?

(b)(5)

I added my responses below in red….

Thanks!
Sarah

From: (b)(4); (b)(6) [mailto:(b)(4); @nasfaa.org]
Sent: Friday, July 25, 2014 1:30 PM
To: Heuerman, Sarah
Cc: (b)(4); (b)(6) @salud.unm.edu); Battle, Cynthia; (b)(4); (b)(6)
Subject: Capitalization of Interest

Hi Sarah~

(b)(5)

(b)(5)

Sorry for all the questions, but we cannot seem to get a hold on ED's current interest capitalization practices.

Thanks in advance!

~david

(b)(4); (b)(6) NASFAA | Content Development Specialist (b)(6)
Join us on Facebook, Twitter and LinkedIn
Registration is now open for the 2014-15 NASFAA Webinar Series.

From: Foss, Ian
Sent: 6 Nov 2014 21:30:56 +0000
To: Bubel, Susan
Subject: RE: Capitalization Questions from yesterday

This. Is. Great.
So great, I need to stretch it out into three sentences.

From: Bubel, Susan
Sent: Thursday, November 06, 2014 4:28 PM
To: Oldre, Lisa; Foss, Ian
Cc: Battle, Cynthia
Subject: RE: Capitalization Questions from yesterday

Hey all,

(b)(5)

Thanks,
Sue

From: Oldre, Lisa
Sent: Tuesday, November 04, 2014 1:27 PM
To: Foss, Ian; Battle, Cynthia
Cc: Bubel, Susan
Subject: RE: Capitalization Questions from yesterday

We are on the same page – and what I have responded with in the past…. (b)(5)

(b)(5)

From: Foss, Ian
Sent: Tuesday, November 04, 2014 12:47 PM
To: Oldre, Lisa; Battle, Cynthia
Cc: Bubel, Susan
Subject: RE: Capitalization Questions from yesterday

Right. This non-capping bucket *never* capitalizes. (b)(5)

(b)(5)

From: Oldre, Lisa
Sent: Tuesday, November 04, 2014 12:46 PM
To: Foss, Ian; Battle, Cynthia
Cc: Bubel, Susan
Subject: RE: Capitalization Questions from yesterday

Oh boy – you are going to be peppered with questions.. unless you limit to just this example

(b)(5)

(b)(5)

From: Foss, Ian
Sent: Tuesday, November 04, 2014 12:29 PM
To: Battle, Cynthia; Oldre, Lisa
Cc: Bubel, Susan
Subject: Capitalization Questions from yesterday

Hi all,

(b)(5)

Ian

From: Bubel, Susan
Sent: 6 Nov 2014 15:27:51 -0600
To: Oldre, Lisa;Foss, Ian
Cc: Battle, Cynthia
Subject: RE: Capitalization Questions from yesterday
Attachments: Capitalization Job Aid.docx

Hey all,

(b)(5)

Thanks,
Sue

From: Oldre, Lisa
Sent: Tuesday, November 04, 2014 1:27 PM
To: Foss, Ian; Battle, Cynthia
Cc: Bubel, Susan
Subject: RE: Capitalization Questions from yesterday

We are on the same page – and what I have responded with in the past…. (b)(5)

(b)(5)

From: Foss, Ian
Sent: Tuesday, November 04, 2014 12:47 PM
To: Oldre, Lisa; Battle, Cynthia
Cc: Bubel, Susan
Subject: RE: Capitalization Questions from yesterday

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(b)(5)

From: Oldre, Lisa
Sent: Tuesday, November 04, 2014 12:46 PM
To: Foss, Ian; Battle, Cynthia
Cc: Bubel, Susan
Subject: RE: Capitalization Questions from yesterday

Oh boy – you are going to be peppered with questions.. unless you limit to just this example

(b)(5)

From: Foss, Ian
Sent: Tuesday, November 04, 2014 12:29 PM
To: Battle, Cynthia; Oldre, Lisa

Cc: Bubel, Susan
Subject: Capitalization Questions from yesterday

Hi all,

(b)(5)

Ian

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of the Freedom of Information and Privacy Act

Page 1044

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(b)(5)

of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 7 Nov 2014 07:59:28 -0600
To: Oldre, Lisa;Foss, Ian
Cc: Battle, Cynthia
Subject: RE: Capitalization Questions from yesterday

Yes (b)(5)

(b)(5)

Thanks,
Sue

From: Oldre, Lisa
Sent: Friday, November 07, 2014 8:57 AM
To: Bubel, Susan; Foss, Ian
Cc: Battle, Cynthia
Subject: RE: Capitalization Questions from yesterday

(b)(5)

From: Bubel, Susan
Sent: Friday, November 07, 2014 8:50 AM
To: Oldre, Lisa; Foss, Ian
Cc: Battle, Cynthia
Subject: RE: Capitalization Questions from yesterday

Thanks for the feedback. (b)(5)

(b)(5)

Thanks,
Sue

From: Oldre, Lisa
Sent: Friday, November 07, 2014 7:33 AM
To: Bubel, Susan; Foss, Ian
Cc: Battle, Cynthia
Subject: RE: Capitalization Questions from yesterday

Susan
Welcome….

(b)(5)

Thanks again
Lisa

From: Bubel, Susan
Sent: Thursday, November 06, 2014 4:28 PM
To: Oldre, Lisa; Foss, Ian
Cc: Battle, Cynthia
Subject: RE: Capitalization Questions from yesterday

Hey all,

(b)(5)

Thanks,
Sue

From: Oldre, Lisa
Sent: Tuesday, November 04, 2014 1:27 PM
To: Foss, Ian; Battle, Cynthia
Cc: Bubel, Susan
Subject: RE: Capitalization Questions from yesterday

We are on the same page – and what I have responded with in the past…. (b)(5)

(b)(5)

From: Foss, Ian
Sent: Tuesday, November 04, 2014 12:47 PM
To: Oldre, Lisa; Battle, Cynthia
Cc: Bubel, Susan
Subject: RE: Capitalization Questions from yesterday

Right. This non-capping bucket *never* capitalizes. (b)(5)

(b)(5)

From: Oldre, Lisa
Sent: Tuesday, November 04, 2014 12:46 PM
To: Foss, Ian; Battle, Cynthia
Cc: Bubel, Susan
Subject: RE: Capitalization Questions from yesterday

Oh boy – you are going to be peppered with questions.. unless you limit to just this example

(b)(5)

From: Foss, Ian
Sent: Tuesday, November 04, 2014 12:29 PM
To: Battle, Cynthia; Oldre, Lisa
Cc: Bubel, Susan
Subject: Capitalization Questions from yesterday

Hi all,

(b)(5)



Ian

From: Foss, Ian
Sent: 14 Nov 2011 19:54:21 +0000
To: Battle, Cynthia;Jackson, Lateata
Cc: Oknich, Mary;Leifeste, Denise;Curran, Frank D.;DiCarlo, Lisa;O'Flaherty, Sue
Subject: RE: Capitalization Requirements - CR 1492

I had thought that there were two complains from the graduate schools, both about PLUS Loans, and one of which (which you described, Cindy), has already been resolved.

The other, I had thought, (b)(5)

(b)(5)

Either way, if the comments at the conference were only related to the entering repayment → in-school deferment issue, then I would doubt that it would come up again.

From: Battle, Cynthia
Sent: Monday, November 14, 2011 2:33 PM
To: Foss, Ian; Jackson, Lateata
Cc: Oknich, Mary; Leifeste, Denise; Curran, Frank D.; DiCarlo, Lisa; O'Flaherty, Sue
Subject: RE: Capitalization Requirements - CR 1492

To clarify -- the capitalization question that came up last year has been resolved. Remember -- the original concern came from the graduate schools and it had to do with capitalization of GPLUS borrowers when converted from "repayment" to deferment. One servicer capitalizing in that instance (when others did not). That capitalization event no longer happening. So, the sound bite that schools want to hear is that the "issue" that caused FSA to take a harder look at capitalization practices has been resolved. Yes,

(b)(5)

(b)(5)

From: Foss, Ian
Sent: Monday, November 14, 2011 2:23 PM
To: Jackson, Lateata; Battle, Cynthia
Cc: Oknich, Mary; Leifeste, Denise; Curran, Frank D.; DiCarlo, Lisa; O'Flaherty, Sue
Subject: RE: Capitalization Requirements - CR 1492

(b)(5)

La Teata, will we have dates from each servicer before the conference?

From: Jackson, Lateata
Sent: Monday, November 14, 2011 2:22 PM

To: Battle, Cynthia; Foss, Ian
Cc: Oknich, Mary; Leifeste, Denise; Curran, Frank D.; DiCarlo, Lisa; O'Flaherty, Sue
Subject: RE: Capitalization Requirements - CR 1492

Okay,

I get this out to the Servicers.

From: Battle, Cynthia
Sent: Monday, November 14, 2011 1:35 PM
To: Jackson, Lateata; Foss, Ian
Cc: Oknich, Mary; Leifeste, Denise; Curran, Frank D.; DiCarlo, Lisa; O'Flaherty, Sue
Subject: RE: Capitalization Requirements - CR 1492

Yes, March and yes open to proposed implementation dates because updates per servicer different. However, because the requirements have been provided via CR and a couple of the servicers challenged because of the NFP impacts, would expect that servicers not in compliance with specific requirements are in process of changes.

From: Jackson, Lateata
Sent: Monday, November 14, 2011 1:31 PM
To: Foss, Ian; Battle, Cynthia
Cc: Oknich, Mary; Leifeste, Denise; Curran, Frank D.; DiCarlo, Lisa; O'Flaherty, Sue
Subject: RE: Capitalization Requirements - CR 1492

Cindy,

To Ian's point could we move the implementation date out to March or April 2012? Also, will FSA be open to TIVAS proposed implementation dates? Since they all are fixing different parts of the requirements they would not have to implement together, correct?

From: Foss, Ian
Sent: Monday, November 14, 2011 1:01 PM
To: Battle, Cynthia
Cc: Jackson, Lateata; Oknich, Mary; Leifeste, Denise; Curran, Frank D.; DiCarlo, Lisa; O'Flaherty, Sue
Subject: Re: Capitalization Requirements - CR 1492

Will the implementation date remain 12/31 with all that's happened?

On Nov 14, 2011, at 12:49, "Battle, Cynthia" <Cynthia.Battle@ed.gov> wrote:

La Teata,

(b)(5)

Frank and Ian -- thank you for your assistance and patience as we finalized the cap requirements!

Cindy

From: Curran, Frank D.
Sent: Wednesday, November 09, 2011 10:31 AM
To: Battle, Cynthia
Cc: Ayanian, Margaret; Oknich, Mary; Leifeste, Denise; Jackson, Lateata
Subject: RE: Transfer Forbs - NO Cap??? Need to know by 11 TODAY

This work?

18001.03	(b)(5)

From: Battle, Cynthia
Sent: Wednesday, November 09, 2011 10:24 AM
To: Curran, Frank D.
Cc: Ayanian, Margaret; Oknich, Mary; Leifeste, Denise; Jackson, Lateata
Subject: RE: Transfer Forbs - NO Cap??? Need to know by 11 TODAY

Frank – did you get a change to confirm and write up this requirement? I want to include in our final …final capitalization change. Thanks!

From: Curran, Frank D.
Sent: Tuesday, November 08, 2011 6:59 AM
To: Battle, Cynthia; Oknich, Mary; Leifeste, Denise
Cc: Ayanian, Margaret
Subject: Transfer Forbs - NO Cap??? Need to know by 11 TODAY
Importance: High

Cindy/Mary/Denise - (b)(5)

(b)(5)

(b)(5)

Sorry for the short turnaround - but I need to know by 11 am today if any of you have any issue with this direction or if you need more info from me. Otherwise that is what I'm going with.

<Cap_req-CR1492.xlsx>

From: Hough, Jana
Sent: 13 Oct 2015 15:43:52 +0000
To: Foss, Ian
Subject: RE: Capitalizing interest

No, no
I can look for them

From: Foss, Ian
Sent: Tuesday, October 13, 2015 9:55 AM
To: Hough, Jana
Subject: RE: Capitalizing interest

Yes, but it will take several hours to compile them all.

From: Hough, Jana
Sent: Tuesday, October 13, 2015 9:55 AM
To: Foss, Ian
Subject: RE: Capitalizing interest

Can you point me to the citations?

From: Foss, Ian
Sent: Tuesday, October 13, 2015 9:54 AM
To: Hough, Jana
Subject: RE: Capitalizing interest

That's interesting, and not nearly as easy as your off-the-record source made it seem. We can't just stop capitalizing interest. It would take some statutory changes and regulatory changes to make it happen.

From: Hough, Jana
Sent: Tuesday, October 13, 2015 9:49 AM
To: Foss, Ian
Subject: RE: Capitalizing interest

I heard in an off the record conversation – that we don't have to ???

From: Foss, Ian
Sent: Tuesday, October 13, 2015 9:43 AM
To: Hough, Jana
Subject: RE: Capitalizing interest

Both.

From: Hough, Jana
Sent: Tuesday, October 13, 2015 9:10 AM
To: Foss, Ian
Subject: Capitalizing interest

Regulation? Statute?

From: Bubel, Susan
Sent: 21 Dec 2016 15:32:29 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian
Subject: RE: Capping CR 2785
Attachments: CR 2785 Servicer Update 122116.docx, Updated PFH loss responses.docx

All based on our discussion Monday, here is the proposed update to send to the servicers and the updated PFH loss document. Please let me know if you have any questions/ comments/ suggestions and I will incorporate and have La Teata send to the servicers.

Thanks,

Sue

-----Original Appointment-----
From: Bubel, Susan
Sent: Thursday, December 15, 2016 11:45 AM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: Capping CR 2785
When: Monday, December 19, 2016 3:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Dial In: (b)(6) PC (b)(6)

Conference:
Participant Code: (b)(6)
<< File: Additional Navient Questions Dec 2016.docx >> << Message: RE: CR 2785 Workbook Updates as of 12/14/2016 >>

Thais meeting is to go over the attached.

Thanks,

Sue

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of the Freedom of Information and Privacy Act

From: Foss, Ian
Sent: 21 Dec 2016 15:54:16 +0000
To: Bubel, Susan;Battle, Cynthia;Chialastri, Taneka
Subject: RE: Capping CR 2785

No comments from me.

From: Bubel, Susan
Sent: Wednesday, December 21, 2016 10:32 AM
To: Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: RE: Capping CR 2785

All based on our discussion Monday, here is the proposed update to send to the servicers and the updated PFH loss document. Please let me know if you have any questions/ comments/ suggestions and I will incorporate and have La Teata send to the servicers.

Thanks,
<< File: CR 2785 Servicer Update 122116.docx >> << File: Updated PFH loss responses.docx >>
Sue

-----Original Appointment-----
From: Bubel, Susan
Sent: Thursday, December 15, 2016 11:45 AM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: Capping CR 2785
When: Monday, December 19, 2016 3:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Dial In: (b)(6) PC (b)(6)

Conference: (b)(6)
Participant Code:
<< File: Additional Navient Questions Dec 2016.docx >> << Message: RE: CR 2785 Workbook Updates as of 12/14/2016 >>

Thais meeting is to go over the attached.

Thanks,

Sue

From: (b)(4); (b)(6)
Sent: 7 Sep 2016 18:10:16 +0000
To: Bubel, Susan;Battle, Cynthia;Jackson, Lateata;[redacted]@glhec.org;[redacted]@glhec;(b)(4); (b)(6) (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org);(b)(4); (b)(6) (b)(4); (b)(6) @Navient.com;(b)(4); (b)(6) EdFinancial CM Email;(b)(4); (b)(6) CornerStone CM Box;(b)(4); (b)(6) (b)(4); (b)(6) OSLA CM Email;(b)(4); (b)(6) (b)(4); (b)(6) Bennett, Rich;Brown, Lenny;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Mahon, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Tessitore, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Robinson, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen;Shanna Morris
Cc: (b)(4); (b)(6) (b)(4); (b)(6)
Subject: RE: Capping Supplemental File Proposal
Attachments: Supplemental File proposal - 9-1-16.docx

Sue / LaTeata,
Attached is the 2785 Supplemental File as updated during our discussion last week. Please let me know if you have any additional questions or comments.

I believe each of the Servicers is individually addressing the response that a CR will not be provided for this work with FSA.

Thank you
(b)(4); (b)(6) PMP
Navient

-----Original Appointment-----
From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Friday, August 05, 2016 12:25 PM
To: Bubel, Susan; Battle, Cynthia; Jackson, Lateata; [redacted]@glhec.org; [redacted]@glhec; (b)(4); (b)(6) (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) (b)(4); (b)(6) ; EdFinancial CM Email; (b)(4); (b)(6) (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6) (b)(4); (b)(6) ; OSLA CM Email (b)(4); (b)(6) (b)(4); (b)(6) Bennett, Rich; Brown, Lenny; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; Shanna Morris
Cc: (b)(4); (b)(6)

(b)(4); (b)(6)

Subject: Capping Supplemental File Proposal
When: Wednesday, August 31, 2016 3:00 PM-3:30 PM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) PC: (b)(6)

Sorry just a shift in the day and time.
Good Afternoon,
FSA would like to meet with the servicers to discuss the proposed Capitalization Supplemental File. I will send the agenda/ talking points prior to the meeting
Conference: (b)(6)
Participant Code: (b)(6)
Thanks,
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov



This E-Mail has been scanned for viruses.

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(b)(5)

of the Freedom of Information and Privacy Act

From: (b)(4); (b)(6)
Sent: 15 Oct 2014 18:40:23 +0000
To: Foss, Ian
Subject: RE: Clarification of interest capitalization

Thank you, Ian.

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Wednesday, October 15, 2014 10:00 AM
To: (b)(4); (b)(6)
Subject: RE: Clarification of interest capitalization

Hi

"New" IBR is the same plan as IBR—it just has different terms and conditions for "new borrowers". Therefore, "new" IBR follows IBR capitalization rules. Ultimately, this means that there is no 10% cap. As for your first question, yes, though interest will not capitalize, it will still accrue and must still be satisfied through a payment before the borrower can satisfy any principal on the loan.

As for your second question, the only time that interest capitalizes for a borrower in IBR or PAYE is when the borrower loses PFH or leaves the plan entirely. There is no annual capitalization in these plans.

Ian

From: (b)(4); (b)(6) [mailto @aamc.org]
Sent: Wednesday, October 08, 2014 4:00 PM
To: Foss, Ian
Subject: Clarification of interest capitalization

Ian,

I want to make sure that we are understanding the capitalization rules for new borrowers after 7/1/14 who are in IBR. Our understanding is that "new IBR" follows PAYE capitalization rules. Is that correct? I did find the following regulations, but I can't seem to locate the specific regulation regarding the capitalization policy in regards to the 10% cap and how that works. Any info you could provide would be very helpful.

B. The capitalization policy is different among ICR, Pay As You Earn, and IBR. Therefore, if the borrower leaves any of these plans for one of the other Income Driven repayment plans, the capitalization policy changes.

ICR – Any negatively amortizing interest that is not paid is capitalized on an annual basis up to 10% of the principal balance. 34 CFR 685.209(b)(3)(iv)

Pay As You Earn – Unpaid interest is capitalized when the borrower no longer has a partial financial hardship (PFH) or chooses to leave the Pay As You Earn plan, up to 10% of the principal balance when the borrower entered Pay As You Earn. 34 CFR 685.209(a)(2)(iv)

IBR - Unpaid interest is capitalized when the borrower no longer has a PFH or chooses to leave the IBR plan. There is no limitation. 34 CFR 685.221(b)(4)

Additionally, I have two scenarios that I want to make sure I am interpreting correctly. Could you please let me know your responses to the following?

1. If a borrower reaches the 10% cap, while in PAYE (or the new IBR), no additional interest will be *capitalized*, but regular monthly interest would continue to accrue on the loan as it normally does. Is that right?

2. When a borrower no longer has a PFH, he can still stay in PAYE (or the new IBR), but if he

hasn't reached the 10% cap at the time when he no longer has the PFH, would the interest continue to capitalize annually for that borrower?
Thanks in advance for your help with this clarification and your responses. You are always very helpful and I appreciate your time and effort.

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)
Senior Education Debt Management Specialist
FIRST *for Medical Education*

Association of American Medical Colleges
655 K Street, N.W., Suite 100, Washington, D.C. 20001-2399
T (b)(6) **E** @aamc.org
www.aamc.org

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(b)(4); (b)(6)

From: Ian Foss
Sent: 21 Oct 2014 16:44:52 -0400
To: (b)(4); (b)(6)
Subject: Re: Clarification of interest capitalization

Hi

Because of the way that income is assumed to rise in the repayment estimator, by the time that a borrower hits a capitalization point (converts from an income-based to non-income-based payment), the borrower has paid off all outstanding interest and there is therefore nothing to capitalize. As a result, in the repayment estimator (not necessarily in real life), "new" IBR works just like the estimates for PAYE. Of course, there are other capitalization points in IBR and PAYE, specifically, failing to return income documentation on-time and leaving the plan; however, the repayment estimator assumes that everyone does what they are supposed to do and that the borrower will enter the plan at the beginning of his or her repayment period and stay in that plan for the entire house of his or her repayment period, so those other capitalization events are also not relevant in the repayment estimates.

Ian

On Oct 21, 2014, at 16:19, (b)(4); (b)(6) @aamc.org> wrote:

Ian,
Please forgive me for "beating a dead horse"; however, we are really struggling with making sure we provide correct information.
As I mentioned, we previously spoke to a servicer who indicated that the capitalization policy for the new IBR plan is the same as PAYE, but after receiving your email, realize that is incorrect.
To get an idea of correct verbiage for the situation, I thought I would take a look at the DOE's Repayment Estimator, and saw the following information.

If you are a new borrower on or after July 1, 2014, the IBR Plan has repayment terms that are different than those described on StudentLoans.gov and that are used in calculating the repayment estimates you see on this site. For such borrowers, payment amounts are 10% of discretionary income instead of 15% and forgiveness is provided for after 20 years instead of 25 years of qualifying repayment. Repayment estimates for the Pay As You Earn Plan produce results identical to what new borrowers are eligible for under the IBR Plan. If you are applying for the IBR Plan, you will receive the repayment terms that you are eligible for even though the repayment estimates and online application do not yet mention the repayment terms above. We apologize for the inconvenience.

What concerns me is the highlighted sentence because, if the capitalization policy is not like PAYE, then that sentence seems inaccurate to me. Can you clarify this for me?
Thank you in advance for your time and assistance.
Regards,
(b)(4);

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Wednesday, October 15, 2014 10:00 AM
To: (b)(4); (b)(6)
Subject: RE: Clarification of interest capitalization

(b)(4); (b)(6)

Hi
"New" IBR is the same plan as IBR—it just has different terms and conditions for "new borrowers". Therefore, "new" IBR follows IBR capitalization rules. Ultimately, this means that there is no 10% cap.
As for your first question, yes, though interest will not capitalize, it will still accrue and must still be satisfied through a payment before the borrower can satisfy any principal on the loan.

(b)(4); (b)(6)

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Ian

From: (b)(4); (b)(6) [mailto @aamc.org]
Sent: Wednesday, October 08, 2014 4:00 PM
To: Foss, Ian
Subject: Clarification of interest capitalization

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ICR – Any negatively amortizing interest that is not paid is capitalized on an annual basis up to 10% of the principal balance. 34 CFR 685.209(b)(3)(iv)

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2. When a borrower no longer has a PFH, he can still stay in PAYE (or the new IBR), but if he **hasn't** reached the 10% cap at the time when he no longer has the PFH, would the interest continue to capitalize annually for that borrower?

Thanks in advance for your help with this clarification and your responses. You are always very helpful and I appreciate your time and effort.

(b)(4); (b)(6)

(b)(4); (b)(6)

Senior Education Debt Management Specialist
FIRST *for Medical Education*

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655 K Street, N.W., Suite 100, Washington, D.C. 20001-2399
T (b)(6) **E** @aamc.org
www.aamc.org

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From: Foss, Ian
Sent: 2 Feb 2015 16:41:30 +0000
To: Bubel, Susan
Subject: RE: Compiled Q&A for 2785 Draft responses

I'm available tomorrow at 3pm.

From: Bubel, Susan
Sent: Monday, February 02, 2015 11:41 AM
To: Battle, Cynthia; Foss, Ian; Jackson, Lateata; Oldre, Lisa; Meadows, Kim
Subject: Compiled Q&A for 2785 Draft responses

Good Morning,

Here are the compiled list of questions/ concerns with CR2785 the themes I see are:

- Why are we asking them to prorate interest payments between neg am and regular interest
- When is neg am interest effective as of?
- Sprinkling of PFH and PAYE clarifications.

There are some I would like to "huddle" internally on prior to the meeting if possible. I was thinking possible tomorrow afternoon. Please le t me know if you all are available say 3ish tomorrow?

Thanks again for your assistance on this.

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
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From: Bubel, Susan
Sent: 3 Feb 2015 10:00:24 -0600
To: Battle, Cynthia;Foss, Ian;Jackson, Lateata;Oldre, Lisa;Meadows, Kim
Subject: RE: Compiled Q&A for 2785 Draft responses
Attachments: CR2785 Q&A.xlsx

All, I received a handful more questions from PHEAA that I added to the list. Another re-occurring question is our implementation/ clean-up plan. Talk to you all this afternoon.
Thanks,
Sue

From: Bubel, Susan
Sent: Monday, February 02, 2015 11:41 AM
To: Battle, Cynthia; Foss, Ian; Jackson, Lateata; Oldre, Lisa; Meadows, Kim
Subject: Compiled Q&A for 2785 Draft responses

Good Morning,
Here are the compiled list of questions/ concerns with CR2785 the themes I see are:

- Why are we asking them to prorate interest payments between neg am and regular interest
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Page 1078

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 1079

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 1080

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: CM_Validation
Sent: 11 Jul 2017 15:53:43 +0000
To: (b)(4); (b)(6) CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: EdfinancialFSAChangeReq;(b)(4); (b)(6) ;Bubel, Susan;Battle, Cynthia;Chialastri, Taneka;(b)(4); (b)(6) ;Samuels, Shaun
Subject: RE: Compliance Statement: 2785 and 3835_ES - Pre Implementation Artifacts

(b)(4); (b)(6)

Awesome and thanks for sticking to the process since compliance statements are due after implementation and not before.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @edfinancial.com]
Sent: Tuesday, July 11, 2017 11:19 AM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: EdfinancialFSAChangeReq; (b)(4); (b)(6) Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: RE: Compliance Statement: 2785 and 3835_ES - Pre Implementation Artifacts

Hi Mario,

(b)(4); (b)(6)

We are scheduled to implement this week and then we'll provide our compliance statement; CM Validation mailbox will be included on the email.

Thank you,

From: CM_Validation [mailto:CM_Validation@ed.gov]
Sent: Tuesday, July 11, 2017 10:47 AM
To: Jackson, Lateata <Lateata.Jackson@ed.gov>; (b)(4); (b)(6) @edfinancial.com>; CM_Validation <CM_Validation@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Leavitt, Katharine <Katharine.Leavitt@ed.gov>; Mitchell, Shayla <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Cc: EdfinancialFSAChangeReq <EdfinancialFSAChangeReq@edfinancial.com>; (b)(4); (b)(6) @edfinancial.com>; Bubel, Susan <Susan.Bubel@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>
Subject: Compliance Statement: 2785 and 3835_ES - Pre Implementation Artifacts

(b)(4); (b)(6)

(b)(4); (b)(6)
Can you provide a copy of the compliance statement to the CM Validation mailbox?

Thanks,
Mario

From: Jackson, Lateata
Sent: Friday, June 30, 2017 6:50 AM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: EdfinancialFSAChangeReq; (b)(4); (b)(6) Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: RE: 2785 and 3835_ES - Pre Implementation Artifacts

FSA approves HESC's artifacts and Compliance Statement. FSA anticipates you will implement on July 14, 2017.

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @edfinancial.com]
Sent: Wednesday, May 24, 2017 3:54 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: EdfinancialFSAChangeReq; (b)(4); (b)(6)
Subject: 2785 and 3835_ES - Pre Implementation Artifacts

La Teata,

Attached are HESC/Edfinancial's pre-implementation validation artifacts. Our standard artifact password has been used; please let us know if you need us to send it.

If you have any questions prior to the walkthrough next week, do not hesitate to reach out.

Thank you!

(b)(4); (b)(6)
Compliance Department
Edfinancial Services
(b)(6)

This e-mail may contain CONFIDENTIAL information and is intended only for the use of the specific individual(s) to whom it is addressed. If you are not an intended recipient of this e-mail, you are hereby notified that any unauthorized use, dissemination or copying of this e-mail or the information contained in it or attached to it is strictly prohibited. If you have received this e-mail in error, please delete it and immediately notify the person named above by telephone. Thank you.

From: Smith, Brian
Sent: 10 Jan 2017 13:28:53 +0000
To: Utz, Jon;Weisman, Annmarie;Hoblitzell, Barbara;McLarnon, Gail
Cc: Foss, Ian;bduser
Subject: RE: Conflicting langauge in preamble to BD Final Rule?

(b)(5)

Brian

From: Utz, Jon
Sent: Monday, January 09, 2017 10:20 AM
To: Weisman, Annmarie; Hoblitzell, Barbara; Smith, Brian
Cc: Foss, Ian
Subject: RE: Conflicting langauge in preamble to BD Final Rule?

(b)(5)

Comments: Multiple commenters expressed support for the proposed prohibition on capitalization of interest when the Department suspends collection activity following receipt of a borrower defense application. However, one of these commenters objected to the Department prohibiting interest capitalization when collection resumes as a result of the borrower's failure to submit appropriate documentation. The commenter believed this could lead to false claims by borrowers seeking to avoid repayment.

Discussion: We appreciate the commenters' support for the prohibition of interest capitalization and believe it is in line with our concept of the appropriate use of capitalization, as the borrower is not newly entering repayment. Accordingly, we disagree with the commenter who objected to prohibiting capitalization upon resumption of collection activity where a borrower did not submit appropriate documentation. We believe more legitimate avenues exist for struggling borrowers to postpone or reduce payment rather than filing false borrower defense claims, and do not believe that the prohibition of interest capitalization in this narrow circumstance

provides significant incentive for borrowers to incur the significant risks associated with filing false claims.

Changes: None.

(b)(5)

Comments: * * *

One commenter noted that, under the proposed regulation, a borrower who files a defense to repayment claim will experience immediate relief due to forbearance or suspension of collection. However, any interest that is not paid during forbearance will be capitalized. This commenter suggested that a borrower should not be discouraged from mounting a defense to repayment that could involve extended investigation by having accrued interest capitalized if the claim is rejected. The commenter recommended that the Department set a limit on the interest that can be capitalized or limit the length of time for which accrued interest can be capitalized.

Discussion: * * *

We disagree with the recommendation that the Department set a limit on the amount of accrued interest that may be capitalized, or the length of time that interest may be allowed to accrue, during the administrative forbearance. We have seen no evidence that capitalization of interest that accrues during a forbearance period while a discharge claim is being reviewed discourages borrowers from applying for loan discharges. Even in situations when the suspension of collection activity may be for an extended period of time—such as during bankruptcy proceedings—interest that accrues during the suspension of collection activity is capitalized. We see no justification for limiting capitalization of interest during the period in which a borrower defenses claim is being evaluated by the Department.

(b)(5)

Can you shed any light on this? Are we missing something?

From: Bubel, Susan
Sent: 25 Jan 2017 17:23:08 +0000
To: (b)(4); (b)(6) Jackson, Lateata;Chialastri, Taneka;Battle, Cynthia
Cc: Yorkshire, Nikcola;Walsh, Mark;Foss, Ian;Kim, Bora;Teri Vig
Subject: RE: CornerStone 2785 Walkthrough
Attachments: CornerStone CR 2785 review FSA Notes 012517.docx

Just providing my comments/ questions on a couple of the scenarios I would like to discuss this afternoon.

Talk to you soon,

Thanks,

(b)(4); (b)(6)

Sue

From: (b)(4); (b)(6) [mailto (b)(6) @utahsbr.edu]
Sent: Wednesday, January 25, 2017 11:24 AM
To: (b)(4); (b)(6) Jackson, Lateata; Bubel, Susan; Chialastri, Taneka; Battle, Cynthia
Cc: Yorkshire, Nikcola; Walsh, Mark; Foss, Ian; Kim, Bora; Teri Vig
Subject: RE: CornerStone 2785 Walkthrough

Here are the slides for today's walk-through.

-----Original Appointment-----
From: (b)(4); (b)(6)
Sent: Thursday, January 12, 2017 9:24 AM
To: (b)(4); (b)(6) Lateata Jackson; Bubel, Susan (Susan.Bubel@ed.gov); Chialastri, Taneka (Taneka.Chialastri@ed.gov); Battle, Cynthia (Cynthia.Battle@ed.gov); (b)(4); (b)(6)
Cc: Yorkshire, Nikcola; Walsh, Mark; Foss, Ian; Kim, Bora
Subject: CornerStone 2785 Walkthrough
When: Wednesday, January 25, 2017 11:00 AM-1:00 PM (UTC-07:00) Mountain Time (US & Canada).
Where: (b)(6)

CornerStone Walkthrough - 2785

Thursday, Jan 25 11:00 AM - 1:00 PM MT/1:00 – 3:00 PM ET

Please join my meeting from your computer, tablet or smartphone.
https://global.gotomeeting.com/join/785703869

You can also dial in using your phone.

Join the conference call. Call in information (b)(6)

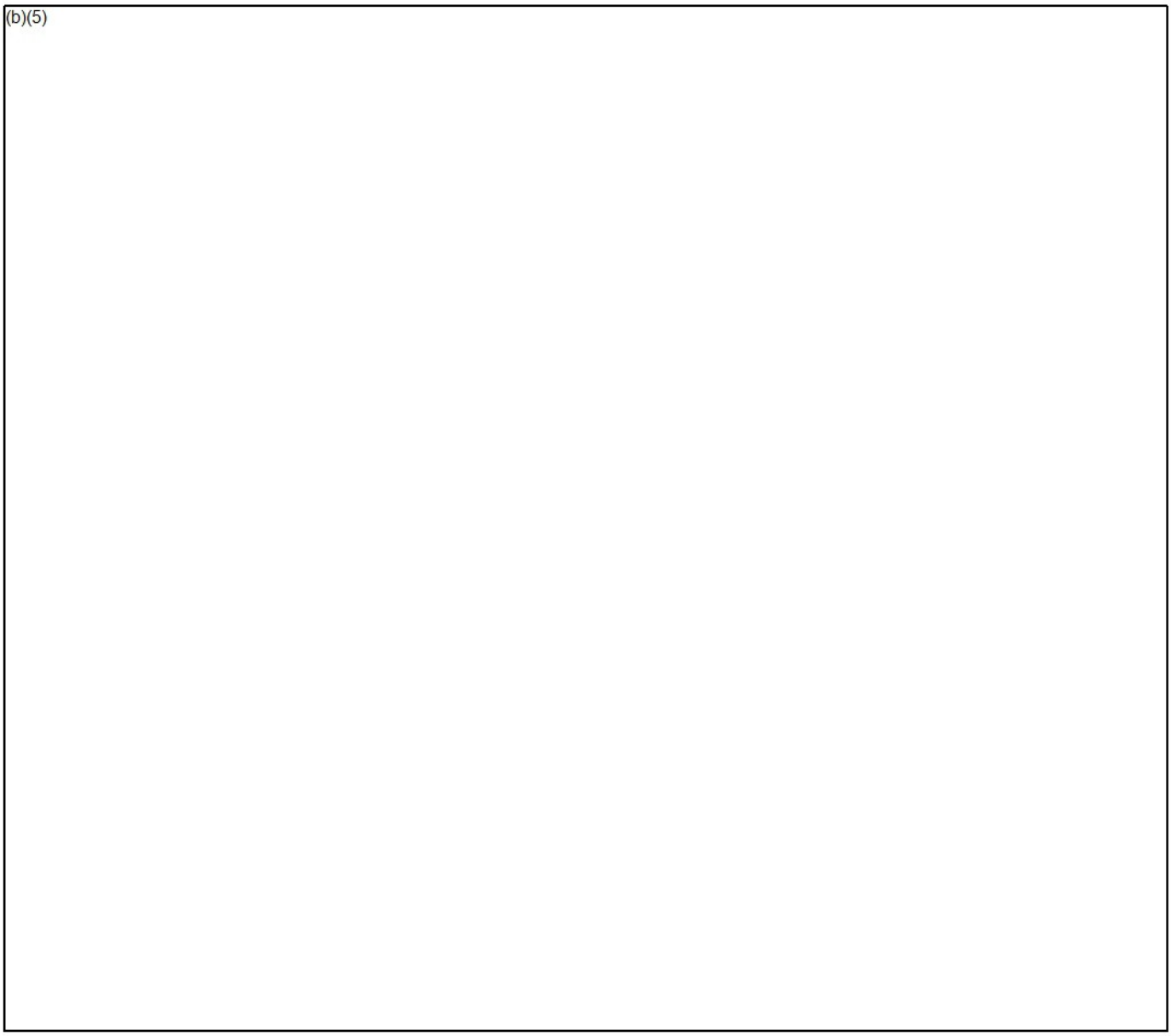
First GoToMeeting? Try a test session: http://help.citrix.com/getready

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CornerStone CR 2785 review

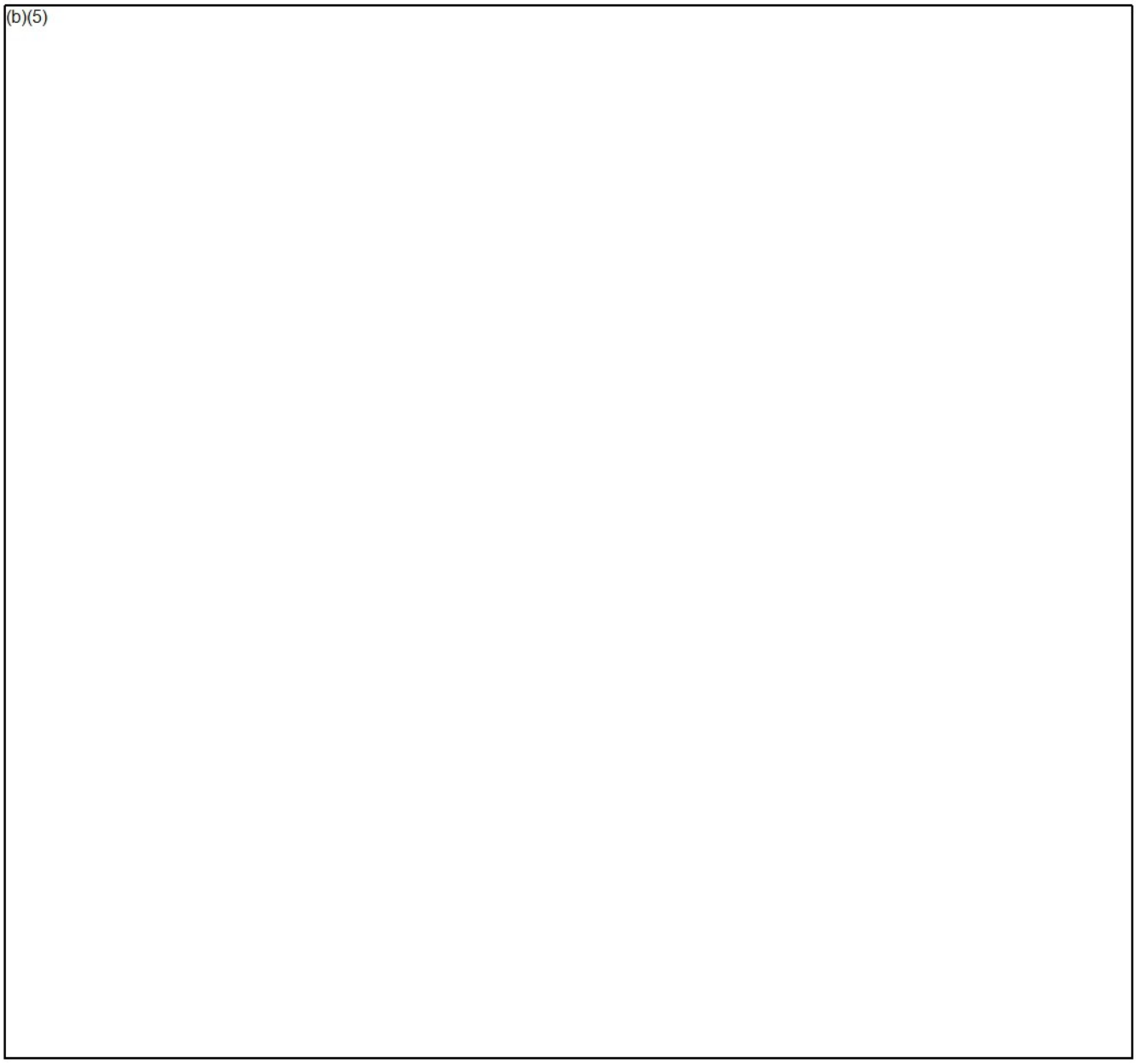
(b)(5)

(b)(5)

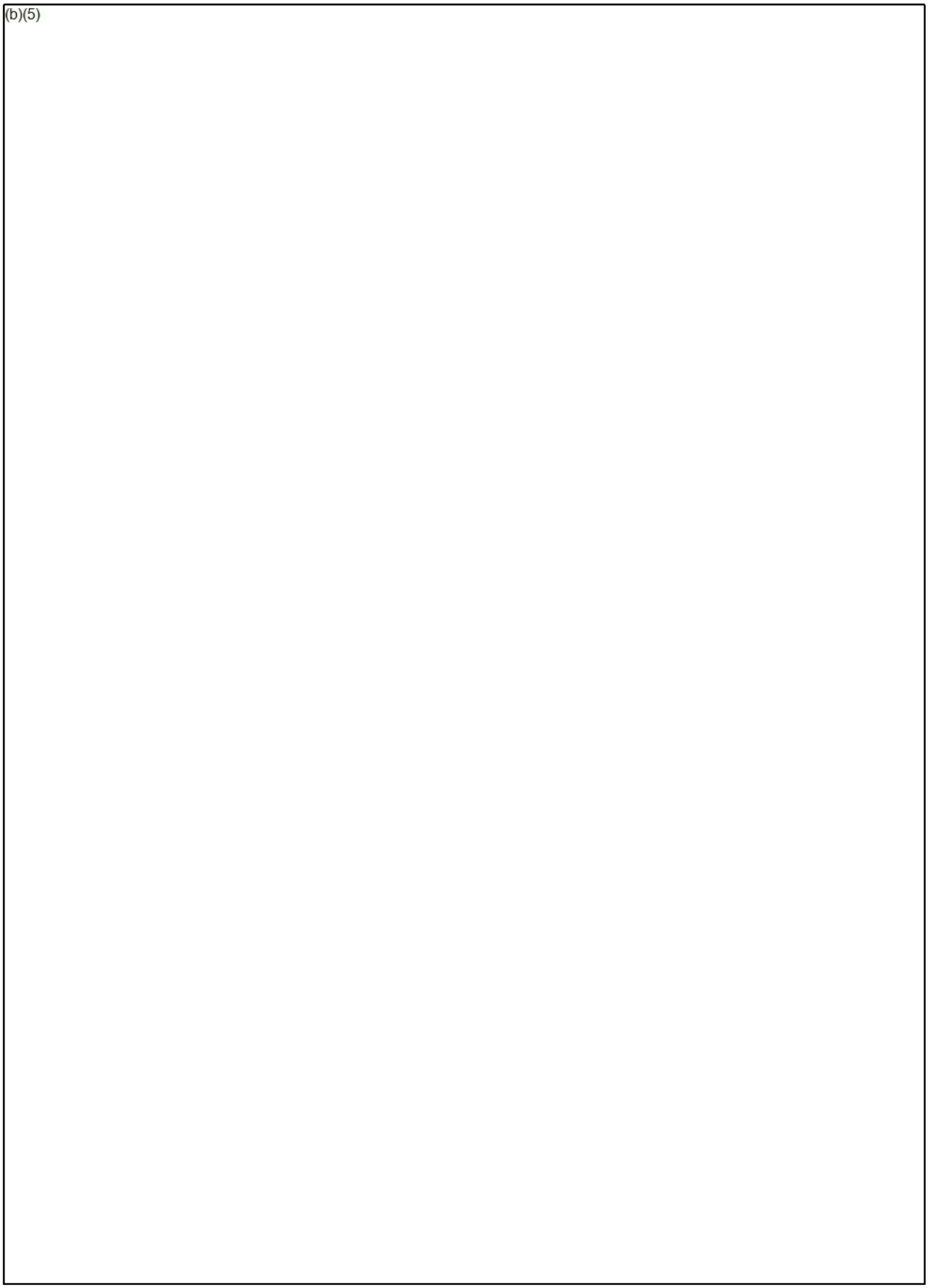

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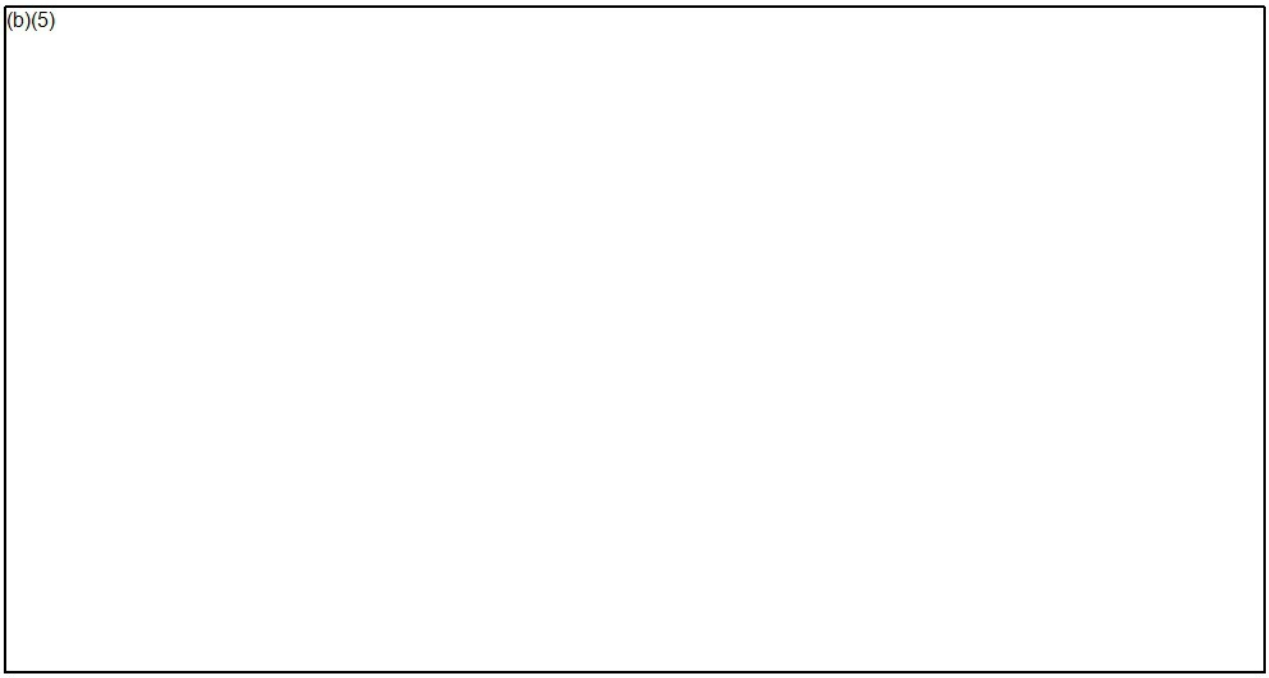
(b)(5)

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(b)(5)

From: (b)(4); (b)(6)
Sent: 25 Jan 2017 16:23:58 +0000
To: (b)(4); (b)(6) Jackson, Lateata;Bubel, Susan;Chialastri, Taneka;Battle, Cynthia
Cc: Yorkshire, Nikcola;Walsh, Mark;Foss, Ian;Kim, Bora;Teri Vig
Subject: RE: CornerStone 2785 Walkthrough
Attachments: CornerStone FSA CR 2785 Walkthrough 012517.pdf

Here are the slides for today's walk-through.

-----Original Appointment-----
From: (b)(4); (b)(6)
Sent: Thursday, January 12, 2017 9:24 AM
To: (b)(4); (b)(6) Lateata Jackson; Bubel, Susan (Susan.Bubel@ed.gov); Chialastri, Taneka (Taneka.Chialastri@ed.gov); Battle, Cynthia (Cynthia.Battle@ed.gov); (b)(4); (b)(6)
Cc: Yorkshire, Nikcola; Walsh, Mark; Foss, Ian; Kim, Bora
Subject: CornerStone 2785 Walkthrough
When: Wednesday, January 25, 2017 11:00 AM-1:00 PM (UTC-07:00) Mountain Time (US & Canada).
Where: (b)(6)

CornerStone Walkthrough - 2785

Thursday, Jan 25 11:00 AM - 1:00 PM MT/1:00 – 3:00 PM ET

Please join my meeting from your computer, tablet or smartphone.
https://global.gotomeeting.com/join/785703869

You can also dial in using your phone.

Join the conference call. Call in information (b)(6)

First GoToMeeting? Try a test session: http://help.citrix.com/getready

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FSA CR 2785 SERVICER SYSTEM WALK-THROUGH



INTEREST ACCRUALS WALK-THROUGH

- Introductions of New Staff
- Agent Experience
  - Training
  - Updated financial transaction screens
- Borrower Experience
- Before/After Interest Accruals Demonstration
- Validation Artifact Review
- Questions?

AGENT TRAINING

- Agents will receive refresher training on the difference between the following types of interest accrual:
  - CAPPING
  - NON-CAPPING
  - NEGATIVE AMORTIZATION

- Agents will receive training on the new fields on the financial transaction screens

INTEREST ACCRUAL – NEW FIELDS

- Currently, the Compass financial transaction screen (ITS2C) shows the capped interest based on the most recent transaction.

- After implementation of FSA CR 2785, the Compass screen ITS2C will show the different interest accruals regarding capping, non-capping, and negative amortization based on the most recent transaction.

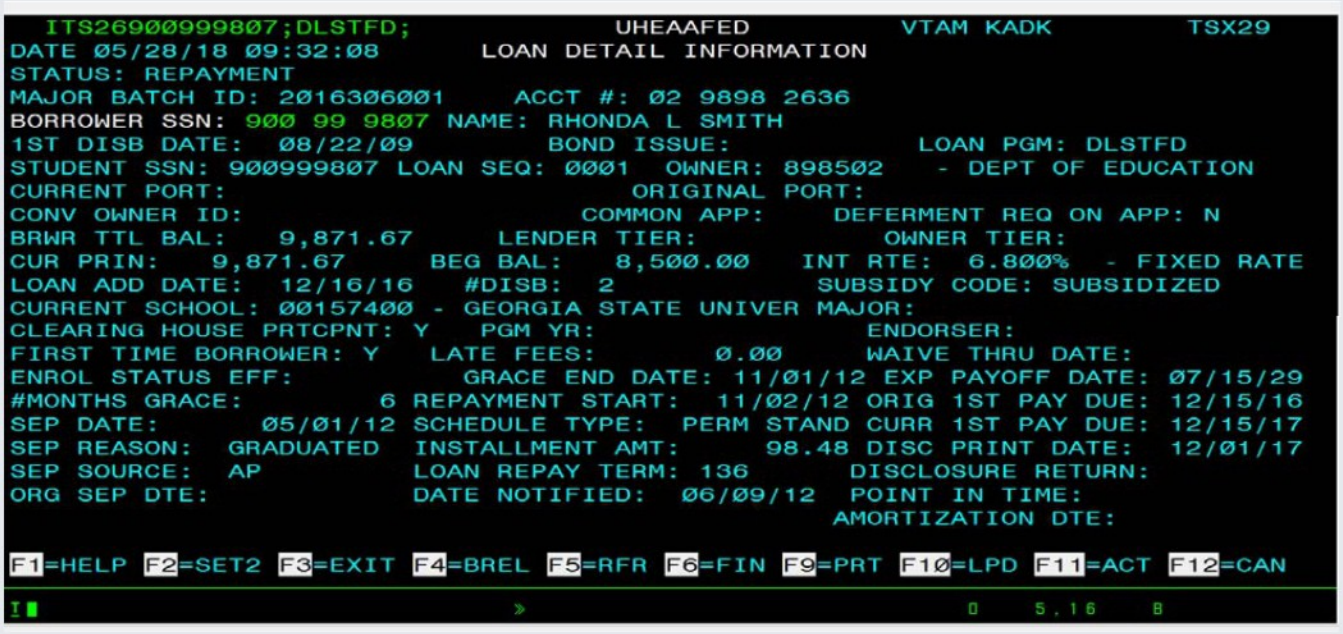
BORROWER VIEW

- Web portal – no changes

INTEREST ACCRUAL DEMO

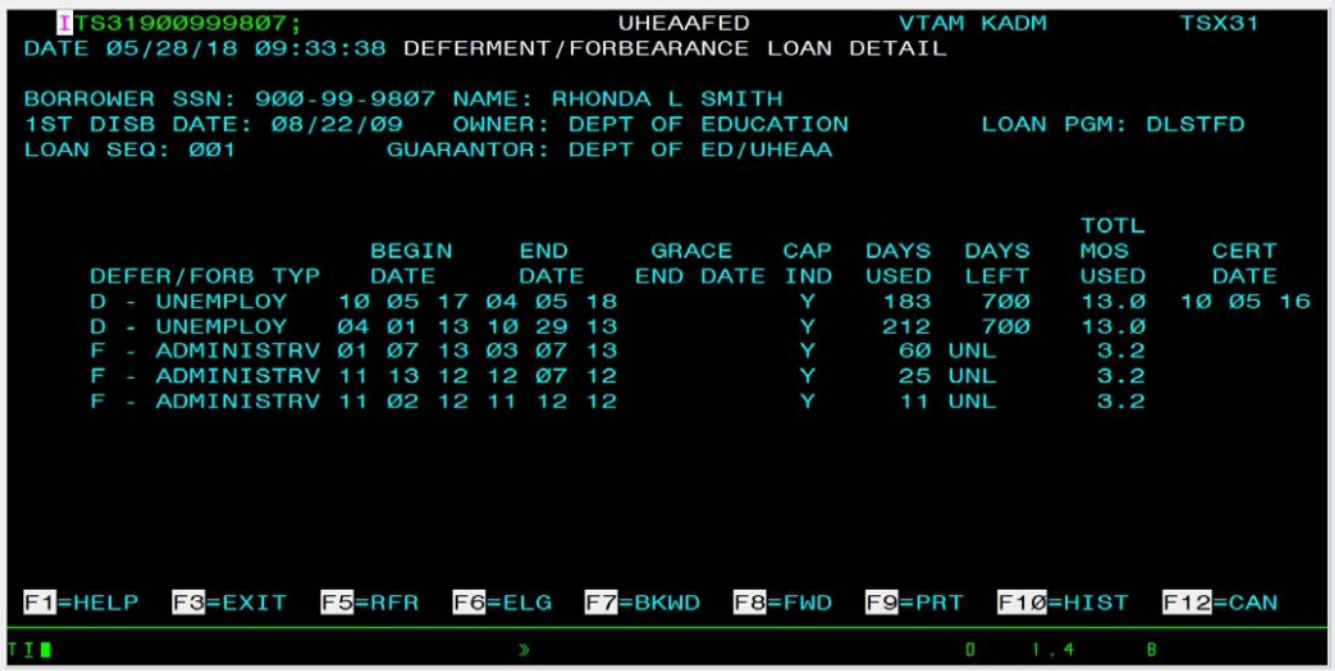
Retro Scenario (Rhonda)

TS26 – Loan Detail



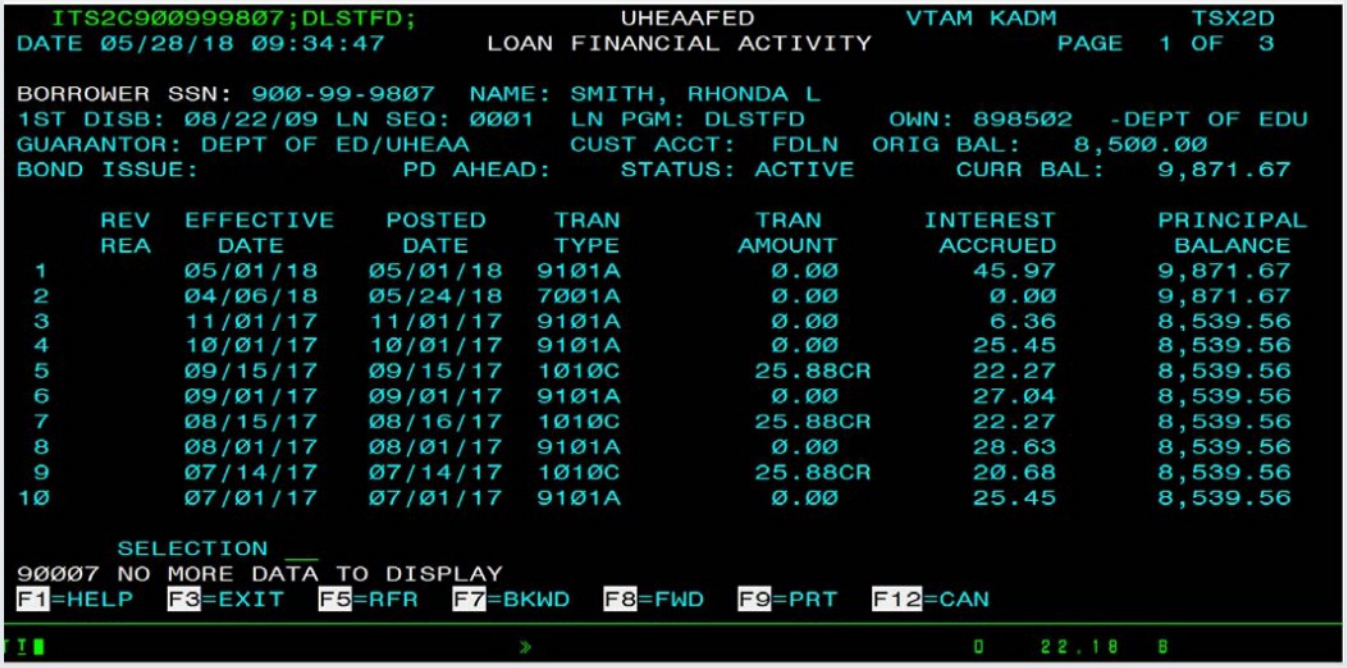
INTEREST ACCRUAL DEMO

TS31 - Deferment/Forbearance History



INTEREST ACCRUAL DEMO

ITS2C – Loan Financial Activity



```
  ITS2C900999807;DLSTFD;              UHEAAFED          VTAM KADM          TSX2D
DATE 05/28/18 09:34:47        LOAN FINANCIAL ACTIVITY              PAGE  1 OF  3

BORROWER SSN: 900-99-9807  NAME: SMITH, RHONDA L
1ST DISB: 08/22/09 LN SEQ: 0001  LN PGM: DLSTFD     OWN: 898502  -DEPT OF EDU
GUARANTOR: DEPT OF ED/UHEAA      CUST ACCT:  FDLN  ORIG BAL:    8,500.00
BOND ISSUE:              PD AHEAD:     STATUS: ACTIVE      CURR BAL:    9,871.67

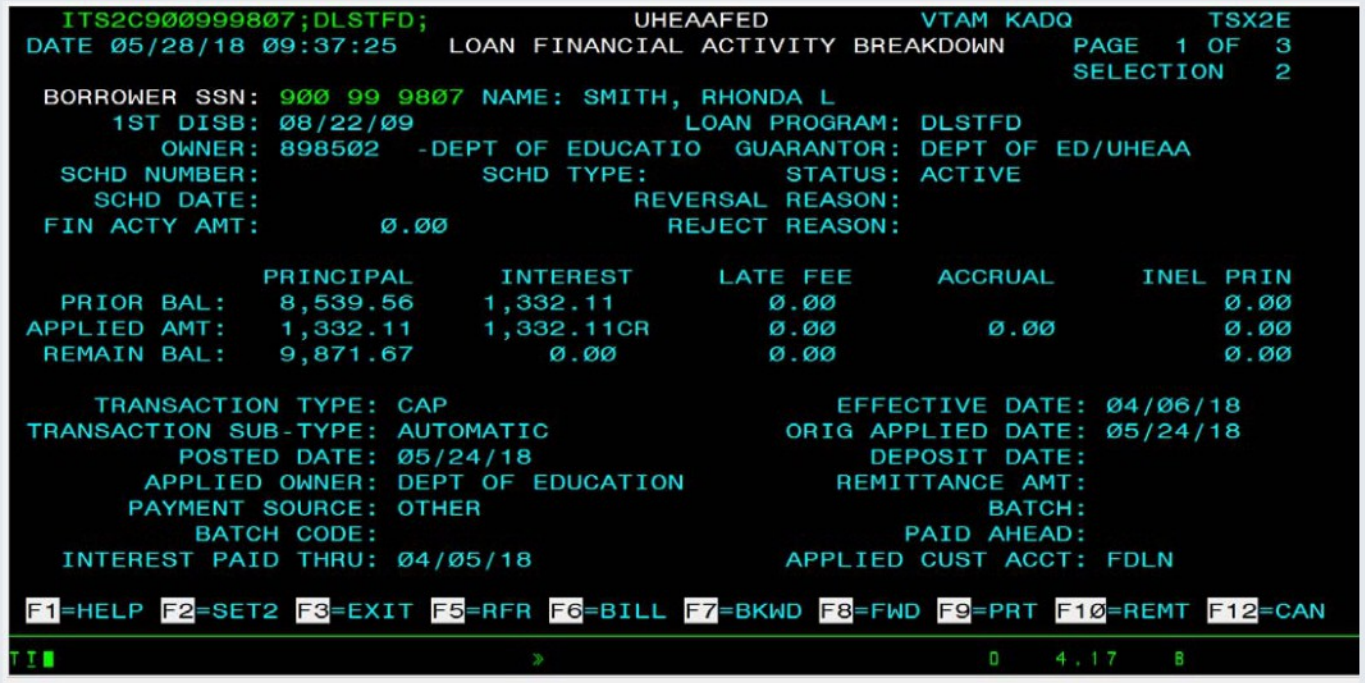
     REV  EFFECTIVE   POSTED     TRAN        TRAN       INTEREST      PRINCIPAL
     REA     DATE       DATE     TYPE      AMOUNT      ACCRUED       BALANCE
 1         05/01/18   05/01/18  9101A        0.00         45.97       9,871.67
 2         04/06/18   05/24/18  7001A        0.00          0.00       9,871.67
 3         11/01/17   11/01/17  9101A        0.00          6.36       8,539.56
 4         10/01/17   10/01/17  9101A        0.00         25.45       8,539.56
 5         09/15/17   09/15/17  1010C      25.88CR        22.27       8,539.56
 6         09/01/17   09/01/17  9101A        0.00         27.04       8,539.56
 7         08/15/17   08/16/17  1010C      25.88CR        22.27       8,539.56
 8         08/01/17   08/01/17  9101A        0.00         28.63       8,539.56
 9         07/14/17   07/14/17  1010C      25.88CR        20.68       8,539.56
10         07/01/17   07/01/17  9101A        0.00         25.45       8,539.56

      SELECTION __
90007 NO MORE DATA TO DISPLAY
F1=HELP  F3=EXIT  F5=RFR  F7=BKWD  F8=FWD  F9=PRT  F12=CAN
I                                »                  0    22.18   B
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INTEREST ACCRUAL DEMO

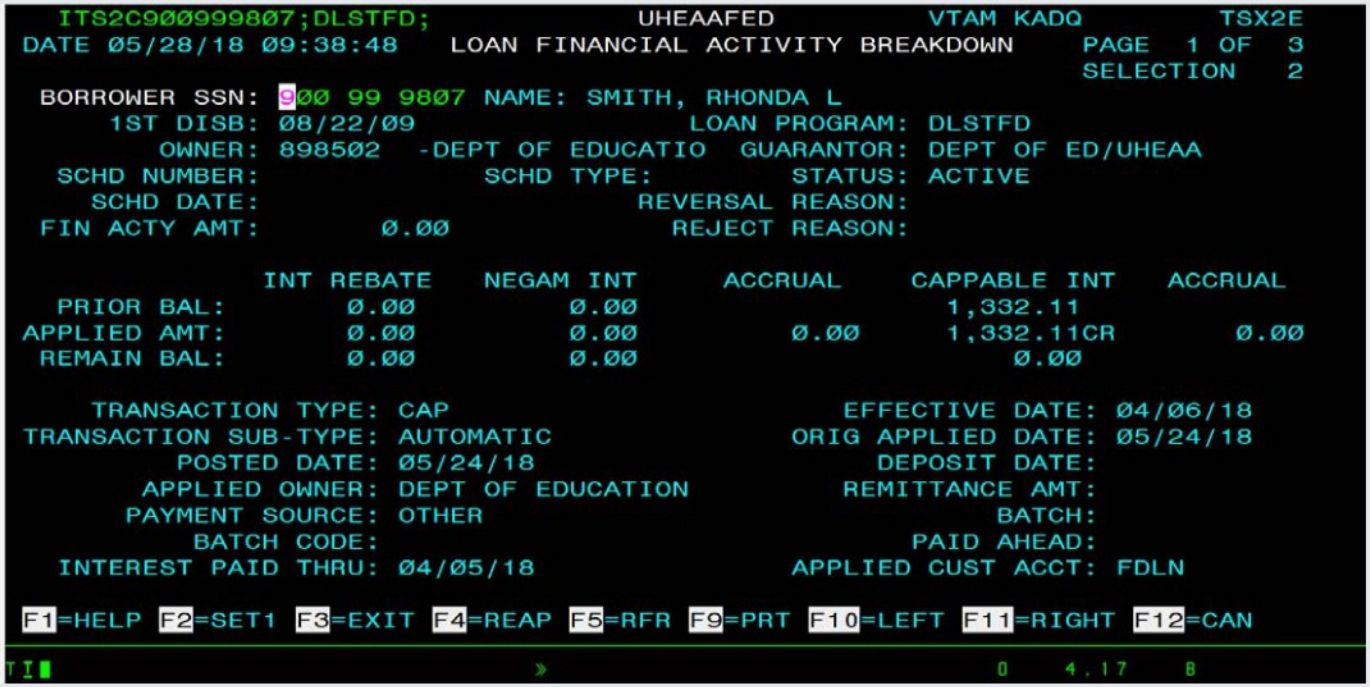
Financial Detail – 04/06/18 7001A

Page 1 of 3



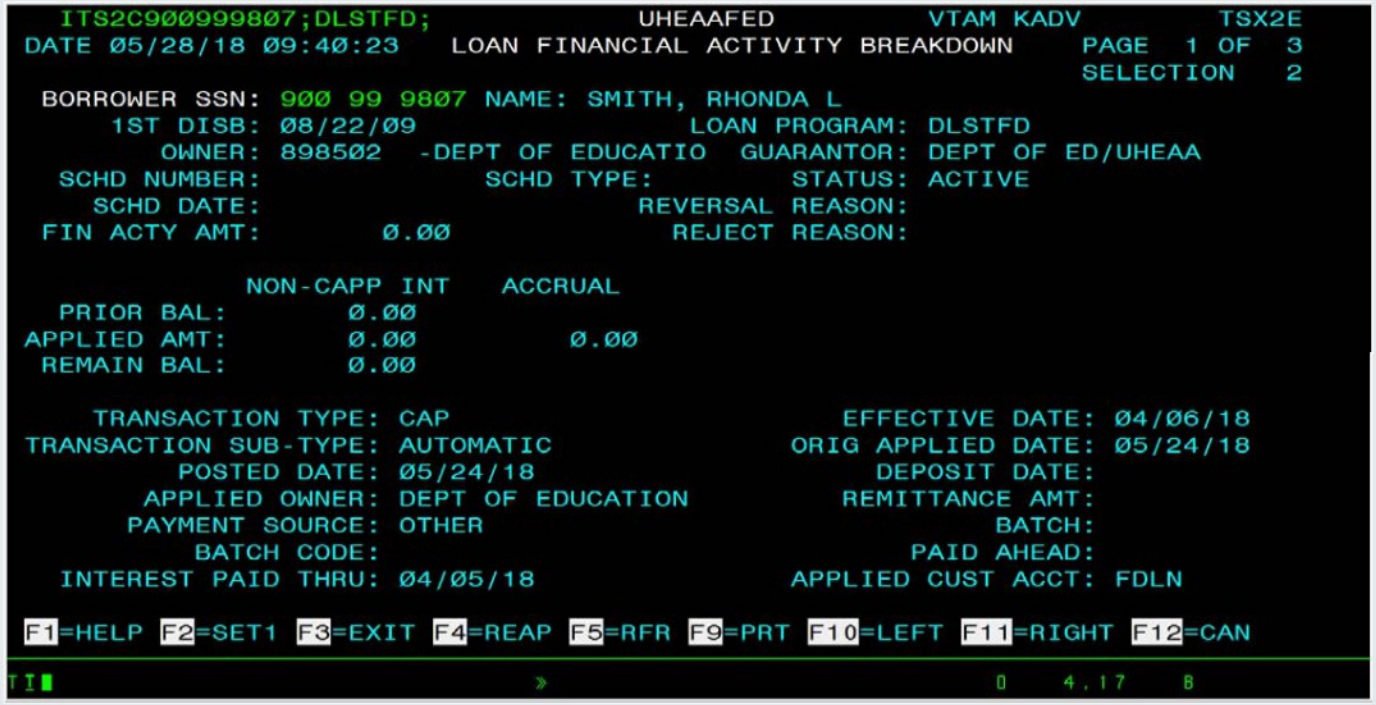
INTEREST ACCRUAL DEMO

Page 2 of 3



INTEREST ACCRUAL DEMO

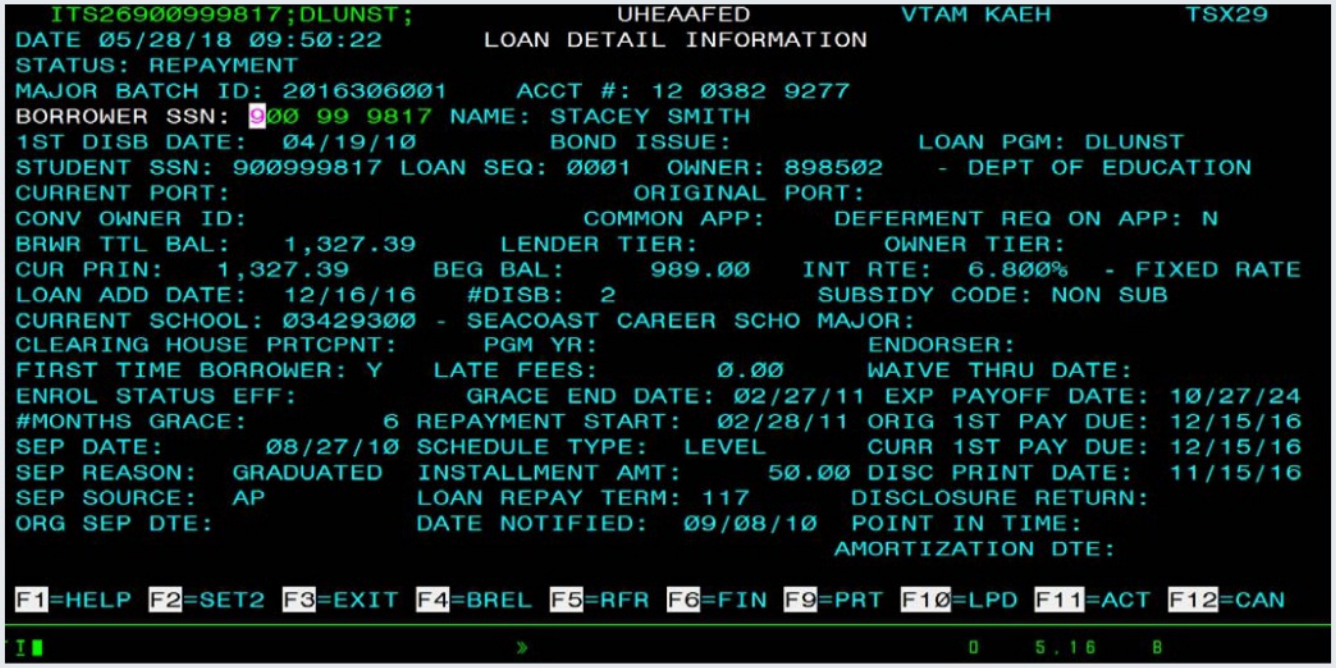
Page 3 of 3



INTEREST ACCRUAL DEMO

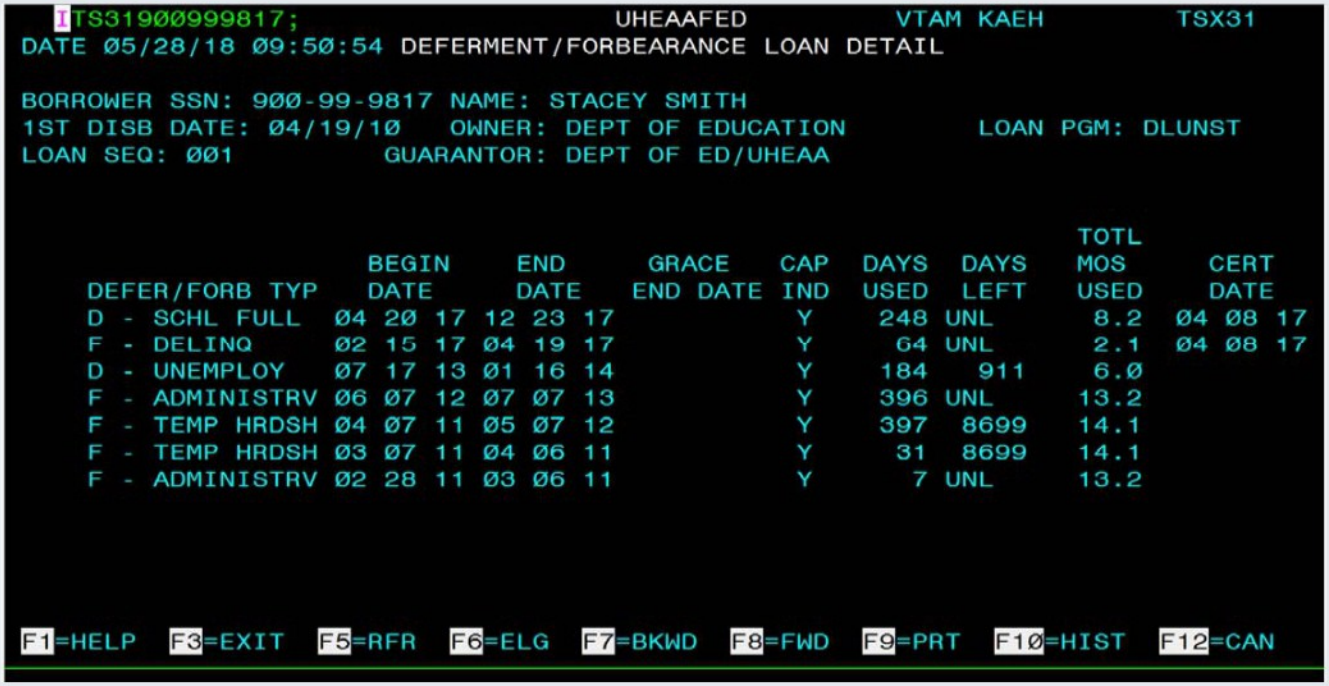
Back to Back w/ non-capping forbearance (Stacey)

TS26 – Loan Detail



INTEREST ACCRUAL DEMO

TS31 - Deferment/Forbearance History



INTEREST ACCRUAL DEMO

ITS2C – Loan Financial Activity

```
 ITS2C900999817;DLUNST;              UHEAAFED          VTAM KAEN          TSX2D
DATE 05/28/18 09:52:48        LOAN FINANCIAL ACTIVITY              PAGE  1 OF  3

BORROWER SSN: 900-99-9817  NAME: SMITH, STACEY
1ST DISB: 04/19/10 LN SEQ: 0001  LN PGM: DLUNST     OWN: 898502  -DEPT OF EDU
GUARANTOR: DEPT OF ED/UHEAA      CUST ACCT:  FDLN  ORIG BAL:      989.00
BOND ISSUE:              PD AHEAD:     STATUS: ACTIVE      CURR BAL:    1,327.39

     REV  EFFECTIVE    POSTED     TRAN        TRAN       INTEREST       PRINCIPAL
     REA     DATE       DATE      TYPE      AMOUNT       ACCRUED        BALANCE
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 3         03/01/18   02/28/18  9101A         0.00          6.92       1,327.39
 4         02/01/18   01/31/18  9101A         0.00          7.66       1,327.39
 5         01/01/18   01/01/18  9101A         0.00          1.97       1,327.39
 6         12/24/17   01/16/18  7001A         0.00          4.83       1,327.39
 7         12/01/17   12/01/17  9101A         0.00          6.30       1,128.88
 8         11/01/17   11/01/17  9101A         0.00          6.51       1,128.88
 9         10/01/17   10/01/17  9101A         0.00          6.30       1,128.88
10         09/01/17   09/01/17  9101A         0.00          6.51       1,128.88

      SELECTION 6

F1=HELP   F3=EXIT   F5=RFR   F7=BKWD   F8=FWD   F9=PRT   F12=CAN

I                                »                    0    22.18   B
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INTEREST ACCRUAL DEMO

Financial Detail – 12/24/17 7001A

Page 1 of 3

```
  ITS2C900999817;DLUNST;              UHEAAFED          VTAM KAES          TSX2E
DATE 05/28/18 09:53:54    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  3
                                                                SELECTION   6
 BORROWER SSN: 900 99 9817 NAME: SMITH, STACEY
     1ST DISB: 04/19/10                    LOAN PROGRAM: DLUNST
        OWNER: 898502  -DEPT OF EDUCATIO  GUARANTOR: DEPT OF ED/UHEAA
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                           REVERSAL REASON:
 FIN ACTY AMT:        0.00               REJECT REASON:

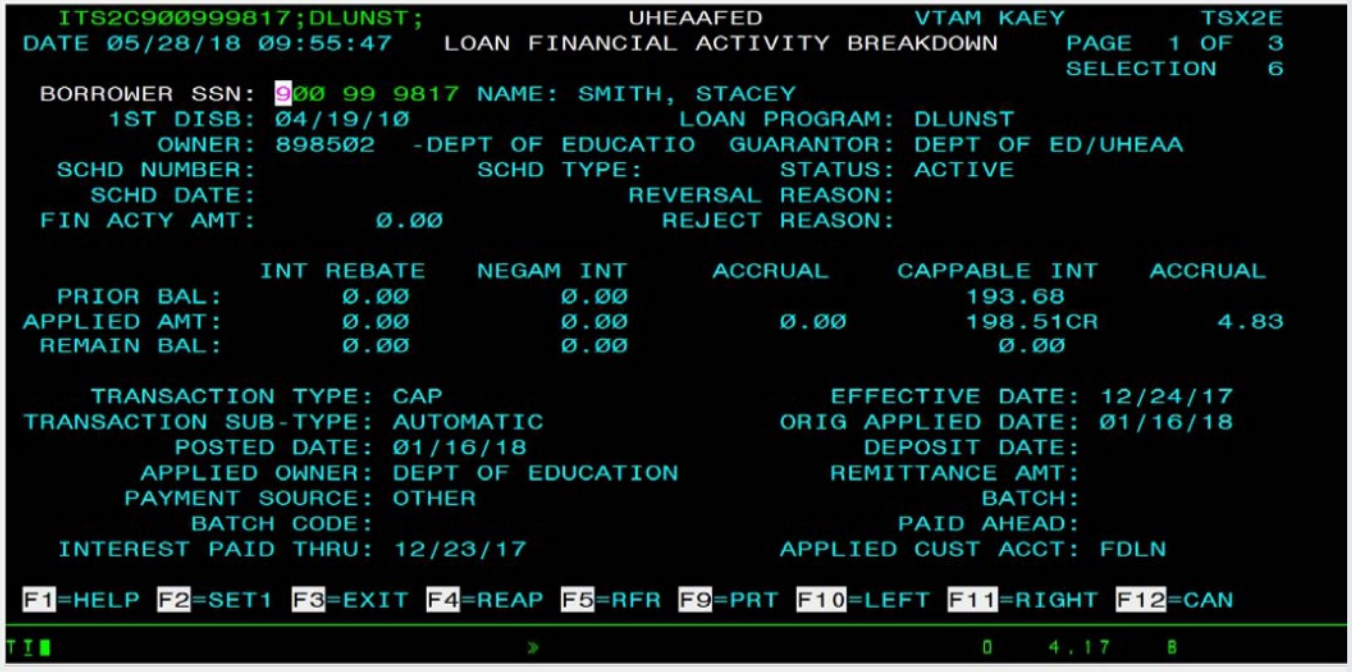
              PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:    1,128.88       193.68          0.00                       0.00
APPLIED AMT:      198.51       198.51CR        0.00          4.83         0.00
 REMAIN BAL:    1,327.39         0.00          0.00                       0.00

    TRANSACTION TYPE: CAP                      EFFECTIVE DATE: 12/24/17
TRANSACTION SUB-TYPE: AUTOMATIC              ORIG APPLIED DATE: 01/16/18
         POSTED DATE: 01/16/18                    DEPOSIT DATE:
       APPLIED OWNER: DEPT OF EDUCATION       REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                             BATCH:
          BATCH CODE:                          PAID AHEAD:
  INTEREST PAID THRU: 12/23/17               APPLIED CUST ACCT: FDLN

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
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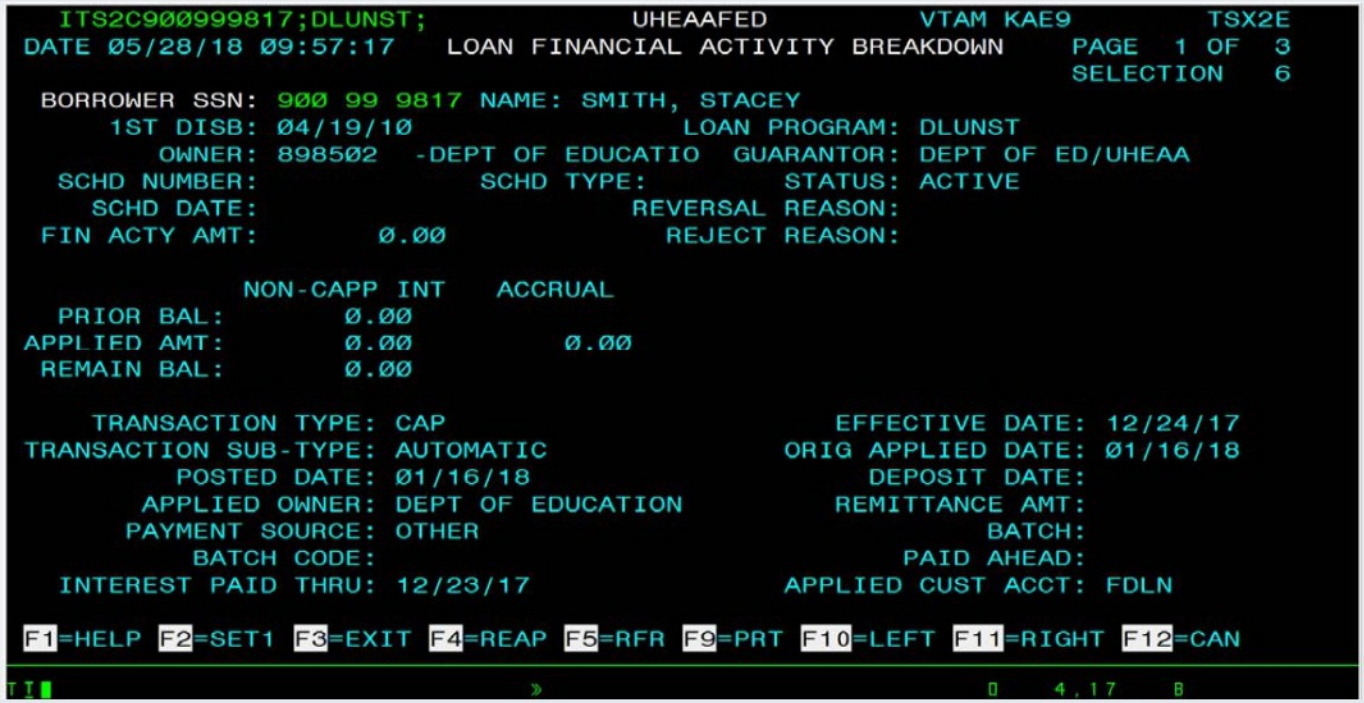
INTERST ACCRUAL DEMO

Page 2 of 3



INTEREST ACCRUAL DEMO

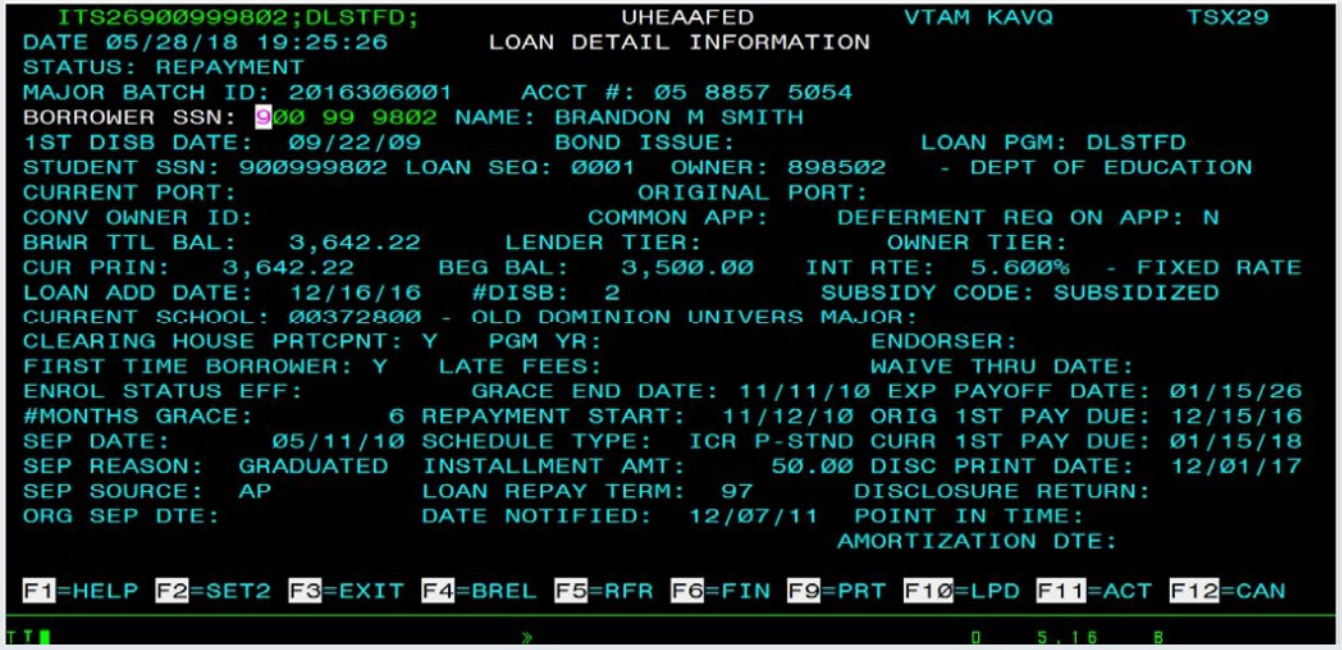
Page 3 of 3



INTEREST ACCRUAL DEMO

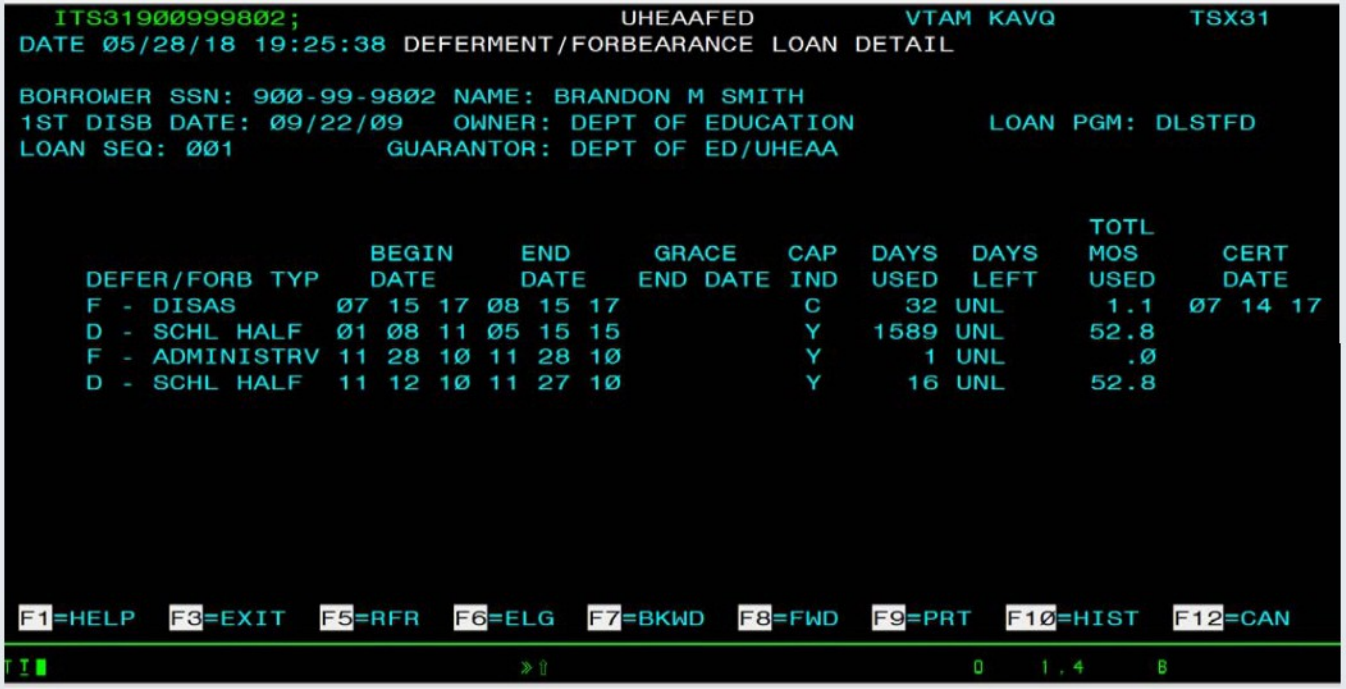
Capping after non-capping (Brandon)

TS26 – Loan Detail



INTEREST ACCRUAL DEMO

TS31 - Deferment/Forbearance History



INTEREST ACCRUAL DEMO

ITS2C – Loan Financial Activity



```
  ITS2C900999802;DLSTFD;              UHEAAFED          VTAM KAVS          TSX2D
DATE 05/28/18 19:28:29        LOAN FINANCIAL ACTIVITY            PAGE  1 OF  2

BORROWER SSN: 900-99-9802  NAME: SMITH, BRANDON M
1ST DISB: 09/22/09 LN SEQ: 0001  LN PGM: DLSTFD     OWN: 898502  -DEPT OF EDU
GUARANTOR: DEPT OF ED/UHEAA      CUST ACCT:  FDLN  ORIG BAL:    3,500.00
BOND ISSUE:              PD AHEAD:     STATUS: ACTIVE      CURR BAL:    3,642.22

     REV  EFFECTIVE    POSTED     TRAN        TRAN       INTEREST      PRINCIPAL
     REA     DATE       DATE      TYPE       AMOUNT      ACCRUED       BALANCE
 1         05/01/18   05/01/18  9101A          0.00        16.76       3,642.22
 2         04/01/18   04/01/18  9101A          0.00        17.32       3,642.22
 3         03/01/18   03/01/18  9101A          0.00        15.64       3,642.22
 4         02/01/18   02/01/18  9101A          0.00        17.32       3,642.22
 5         01/01/18   01/01/18  9101A          0.00        17.32       3,642.22
 6         12/01/17   12/01/17  9101A          0.00        16.76       3,642.22
 7         11/01/17   11/01/17  9101A          0.00        17.32       3,642.22
 8         10/01/17   10/01/17  9101A          0.00        16.76       3,642.22
 9         09/01/17   09/01/17  9101A          0.00        17.32       3,642.22
10         08/01/17   08/01/17  9101A          0.00        17.32       3,642.22

      SELECTION __

F1=HELP  F3=EXIT  F5=RFR  F7=BKWD  F8=FWD  F9=PRT  F12=CAN

I                                  »                  0   3.56   B
```

INTEREST ACCRUAL DEMO

Financial Detail – 09/01/17 9101A

Page 1 of 3

```
  ITS2C900999802;DLSTFD;              UHEAAFED          VTAM KAVS          TSX2E
DATE 05/28/18 19:31:01    LOAN FINANCIAL ACTIVITY BREAKDOWN     PAGE  1 OF  2
                                                                SELECTION   9

 BORROWER SSN: 900 99 9802 NAME: SMITH, BRANDON M
     1ST DISB: 09/22/09                  LOAN PROGRAM: DLSTFD
        OWNER: 898502  -DEPT OF EDUCATIO  GUARANTOR: DEPT OF ED/UHEAA
  SCHD NUMBER:                SCHD TYPE:         STATUS: ACTIVE
    SCHD DATE:                           REVERSAL REASON:
 FIN ACTY AMT:        0.00               REJECT REASON:

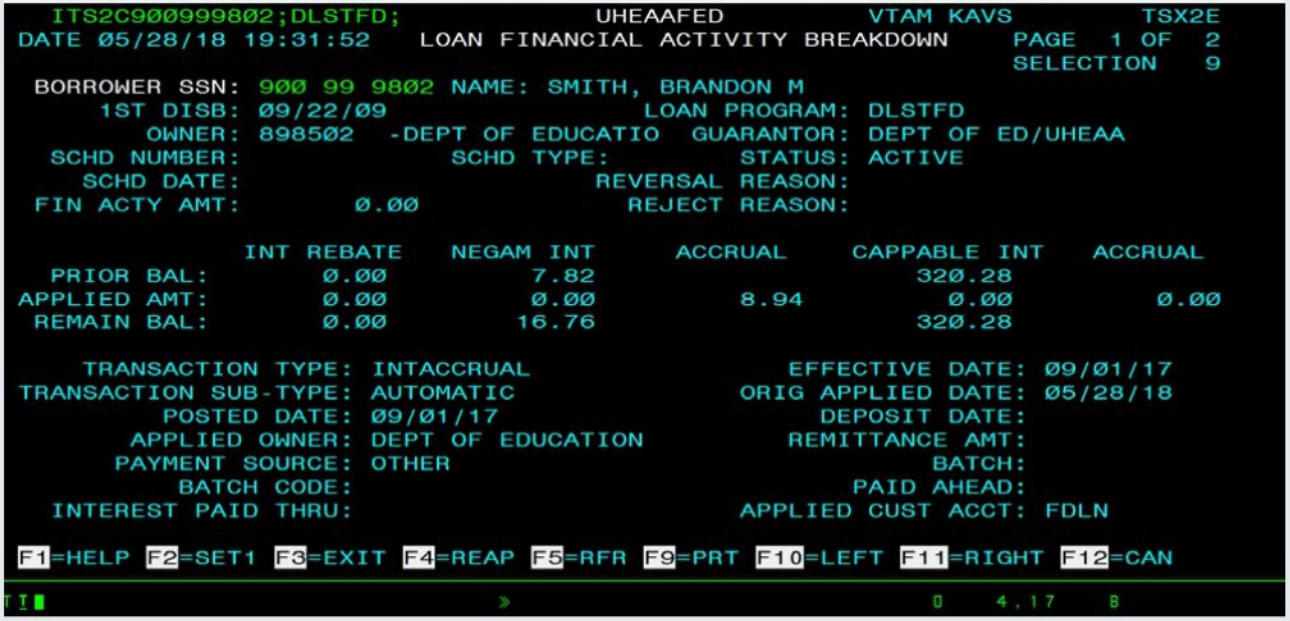
              PRINCIPAL      INTEREST      LATE FEE      ACCRUAL      INEL PRIN
  PRIOR BAL:    3,642.22       177.46          0.00                       0.00
APPLIED AMT:        0.00         0.00          0.00         17.32         0.00
 REMAIN BAL:    3,642.22       194.78          0.00                       0.00

    TRANSACTION TYPE: INTACCRUAL              EFFECTIVE DATE: 09/01/17
TRANSACTION SUB-TYPE: AUTOMATIC            ORIG APPLIED DATE: 05/28/18
         POSTED DATE: 09/01/17                   DEPOSIT DATE:
       APPLIED OWNER: DEPT OF EDUCATION       REMITTANCE AMT:
      PAYMENT SOURCE: OTHER                            BATCH:
          BATCH CODE:                         PAID AHEAD:
  INTEREST PAID THRU:                      APPLIED CUST ACCT: FDLN

F1=HELP F2=SET2 F3=EXIT F5=RFR F6=BILL F7=BKWD F8=FWD F9=PRT F10=REMT F12=CAN
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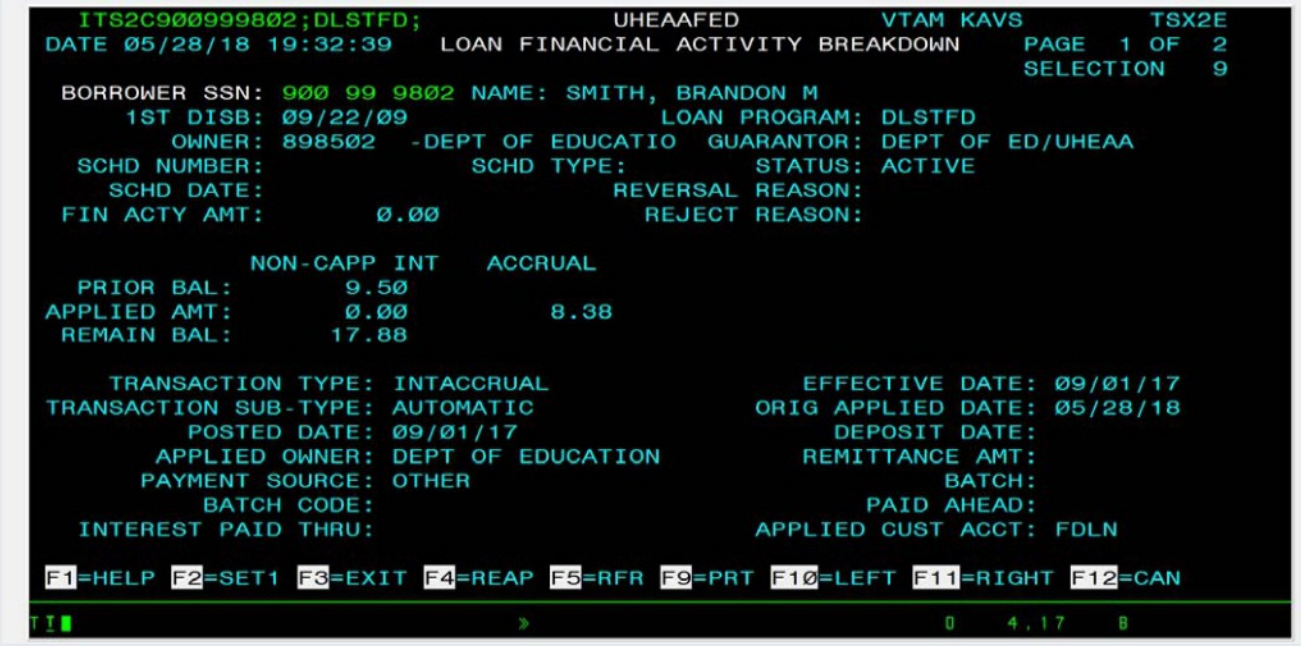
INTEREST ACCRUAL DEMO

Page 2 of 3



INTEREST ACCRUAL DEMO

Page 3 of 3



INTEREST ACCRUAL DEMO

- AES to run overnight batch process.
- Review after screens

VALIDATION SCENARIOS

Questions?

From: (b)(4); (b)(6)
Sent: 25 Jan 2017 17:37:31 +0000
To: Bubel, Susan; (b)(4); (b)(6) ;Jackson, Lateata;Chialastri, Taneka;Battle, Cynthia
Cc: Yorkshire, Nikcola;Walsh, Mark;Foss, Ian;Kim, Bora;
Subject: RE: CornerStone 2785 Walkthrough

(b)(4); (b)(6)

Thanks Sue! I'll pass this along to that team.

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Wednesday, January 25, 2017 10:23 AM
To: (b)(4); (b)(6) @utahsbr.edu>; (b)(4); (b)(6) @utahsbr.edu>; Jackson, Lateata <Lateata.Jackson@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>
Cc: Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Walsh, Mark <Mark.Walsh@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; (b)(4); (b)(6) @utahsbr.edu>
Subject: RE: CornerStone 2785 Walkthrough

Just providing my comments/ questions on a couple of the scenarios I would like to discuss this afternoon.

Talk to you soon,

Thanks,

(b)(4); (b)(6)

Sue

From: (b)(4); (b)(6) [mailto @utahsbr.edu]
Sent: Wednesday, January 25, 2017 11:24 AM
To: (b)(4); (b)(6) Jackson, Lateata; Bubel, Susan; Chialastri, Taneka; Battle, Cynthia
Cc: Yorkshire, Nikcola; Walsh, Mark; Foss, Ian; Kim, Bora; Teri Vig
Subject: RE: CornerStone 2785 Walkthrough

Here are the slides for today's walk-through.

-----Original Appointment-----
From: (b)(4); (b)(6)
Sent: Thursday, January 12, 2017 9:24 AM
To: (b)(4); (b)(6) Lateata Jackson; Bubel, Susan (Susan.Bubel@ed.gov); Chialastri, Taneka (Taneka.Chialastri@ed.gov); Battle, Cynthia (Cynthia.Battle@ed.gov); (b)(4); (b)(6)
Cc: Yorkshire, Nikcola; Walsh, Mark; Foss, Ian; Kim, Bora
Subject: CornerStone 2785 Walkthrough
When: Wednesday, January 25, 2017 11:00 AM-1:00 PM (UTC-07:00) Mountain Time (US & Canada).
Where: (b)(6)

CornerStone Walkthrough - 2785

Thursday, Jan 25 11:00 AM - 1:00 PM MT/1:00 – 3:00 PM ET

Please join my meeting from your computer, tablet or smartphone.

https://global.gotomeeting.com/join/785703869

You can also dial in using your phone.

Join the conference call. Call in information (b)(6)

First GoToMeeting? Try a test session: http://help.citrix.com/getready

--

From: Bubel, Susan
Sent: 25 Jan 2017 17:20:29 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian;Leavitt, Katharine;Kim, Bora;Jackson, Lateata
Subject: RE: CornerStone CR 2785 review FSA Notes 012517

Updated with questions on Scenario 14

From: Bubel, Susan
Sent: Wednesday, January 25, 2017 11:26 AM
To: Battle, Cynthia; Chialastri, Taneka; Foss, Ian; Leavitt, Katharine; Kim, Bora; Jackson, Lateata
Subject: CornerStone CR 2785 review FSA Notes 012517

All,

I wanted to share the questions I had on the first scenario for CornerStone for this afternoon's meeting. I am still reviewing the artifacts but wanted to give you an idea of what I saw in the first scenario.

Thanks,

Sue

From: Jackson, Lateata
Sent: 4 Jan 2017 15:31:50 +0000
To: (b)(4); (b)(6)
Cc: Battle, Cynthia;Bubel, Susan;Chialastri, Taneka;Foss, Ian;(b)(4)@glhec;(b)(4); (b)(6);Servicing Operations;(b)(4); (b)(6)
Subject: RE: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Happy New Year to you as well,

Thank you Jamie for your follow-up below. I will get back with you asap once FSA determines the appropriate approach.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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(b)(4); (b)(6)

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Saint Francis de Sales C.O.

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @glhec.org]
Sent: Tuesday, January 03, 2017 2:39 PM
To: Jackson, Lateata
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian; (b)(4); (b)(6) @glhec; (b)(4); (b)(6) Servicing Operations; (b)(4); (b)(6)
Subject: FW: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

Lateata,

Happy New Year! Great Lakes has had an opportunity to review and discuss the attached guidance and proposed changes to the Neg Am accrual and capping rules. (b)(5)

(b)(5)

Thank you,

(b)(4);

(b)(4); (b)(6) | Manager – Servicing Operations

(b)(6) |Mobile (b)(6) | F: (b)(6) | (b)(4); @glhec.org

Great Lakes Educational Loan Services, Inc.

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, December 22, 2016 11:32 AM
To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Please see the attached correction made by FSA

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Wednesday, December 14, 2016 2:07 PM
To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point is in (b)(5) We are working to get a response to that and will send out another update once we have it.

<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

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From: Foss, Ian
Sent: 27 Dec 2016 21:01:37 +0000
To: Bubel, Susan;Battle, Cynthia
Subject: RE: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

This looks right to me, including your frown.

From: Bubel, Susan
Sent: Tuesday, December 27, 2016 2:49 PM
To: Foss, Ian; Battle, Cynthia
Subject: FW: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Here is the response form Navient, who by the way brought up the concern in the first place ☹ Looking forward to see what the other servicers have to say.

My draft responses below

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @navient.com]
Sent: Tuesday, December 27, 2016 1:29 PM
To: Jackson, Lateata; Bubel, Susan; Washington, Patrice
Cc: (b)(4); (b)(6)
Subject: RE: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Lateata,
I want to ensure I'm understanding the Neg AM proposal that FSA is making, so please allow me to restate:

(b)(5)

(b)(5)

(b)(5)

Thank you

(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, December 22, 2016 12:32 PM
To: (b)(4); (b)(6) @glhec.org>; @glhec <@glhec.org>; (b)(4); (b)(6) @glhec.org>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) @nelnet.net>; EdFinancial CM Email <EdfinancialFSAChangeReq@edfinancial.com>; (b)(4); (b)(6) @edfinancial.com>; (b)(4); (b)(6) @edfinancial.com>; @gsmr.org; (b)(4); (b)(6) @gsmr.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; OSLA CM Email <OSLA-CR@osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @pheaa.org>; (b)(4); (b)(6) @pheaa.org>; PHEAACRs (PHEAACRs@pheaa.org) <PHEAACRs@pheaa.org>; (b)(4); (b)(6) @mohela.com>; (b)(4); (b)(6) @utahsbr.edu>; CornerStone CM Box <CSChangeControl@mycornerstoneloan.org>; (b)(4); (b)(6) (b)(4); (b)(6) @mycornerstoneloan.org>

Cc: Battle, Cynthia <Cynthia.Battle@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>
Subject: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Please see the attached correction made by FSA

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Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Wednesday, December 14, 2016 2:07 PM
To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6)
@gsmr.org; (b)(4); (b)(6)
OSLA CM Email ; (b)(4); (b)(6) PHEAACRs
(PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point is in regards to subsidy benefits. We are working to get a response to that and will send out another update once we have it.

<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

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U.S. Department of Education
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This E-Mail has been scanned for viruses.

From: (b)(4); (b)(6)
Sent: 5 Jan 2017 16:28:18 +0000
To: Jackson, Lateata
Cc: Battle, Cynthia;Bubel, Susan;Chialastri, Taneka;Foss, Ian;(b)(4); (b)(6)
Subject: RE: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016
Attachments: CR 2785 Servicer Q&A Update 122116.docx, Updated Capitalization Requirements _Workbook V01.10 121316.xlsx

Good Morning,

(b)(5)

- CR2785 Q & A #43

43	Nelnet	5023	(b)(5)

- CR2785 Q & A #75

75	Nelnet	Job Aid 2/25/16 Ex #6, #7	(b)(5)

			(b)(5)

- CR2785 Q & A #145

145	Navient		

- CR2785 Q & A #160

160	Nelnet		(b)(5)

We also have the following questions regarding this proposed change:

(b)(5)

(b)(5)

Thank you,

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, December 22, 2016 11:32 AM
To: (b)(4); (b)(6) @glhec.org>; @glhec @glhec.org>; (b)(4); (b)(6) (b)(4); (b)(6) @glhec.org>; (b)(4); (b)(6) @navient.com>; @navient.com; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) @nelnet.net>; EdFinancial CM Email <EdfinancialFSAChangeReq@edfinancial.com>; (b)(4); (b)(6) Edfinancial) @edfinancial.com>; (b)(4); (b)(6) (EDFINANCIAL) @edfinancial.com>; @gsmr.org; (b)(4); (b)(6) (b)(4); (b)(6) @gsmr.org>; (b)(4); (b)(6) (OSLA) @osla.org>; (b)(4); (b)(6) (OSLA) @osla.org>; (b)(4); (b)(6) (OSLA); (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) (OSLA) (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) (OSLA) @osla.org>; OSLA CM Email <OSLA-CR@osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @pheaa.org>; (b)(4); (b)(6) @pheaa.org>; PHEAACRs (PHEAACRs@pheaa.org) <PHEAACRs@pheaa.org>; (b)(4); (b)(6) @mohela.com>; (b)(4); (b)(6) @utahsbr.edu>; CornerStone CM Box <CSChangeControl@mycornerstoneloan.org>; (b)(4); (b)(6) @mycornerstoneloan.org>
Cc: Battle, Cynthia <Cynthia.Battle@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>
Subject: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Please see the attached correction made by FSA

La Teata Jackson
Change Management Division

Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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From: Jackson, Lateata
Sent: Wednesday, December 14, 2016 2:07 PM
To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point is in (b)(5) We are working to get a response to that and will send out another update once we have it.

<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

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Page 1135

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

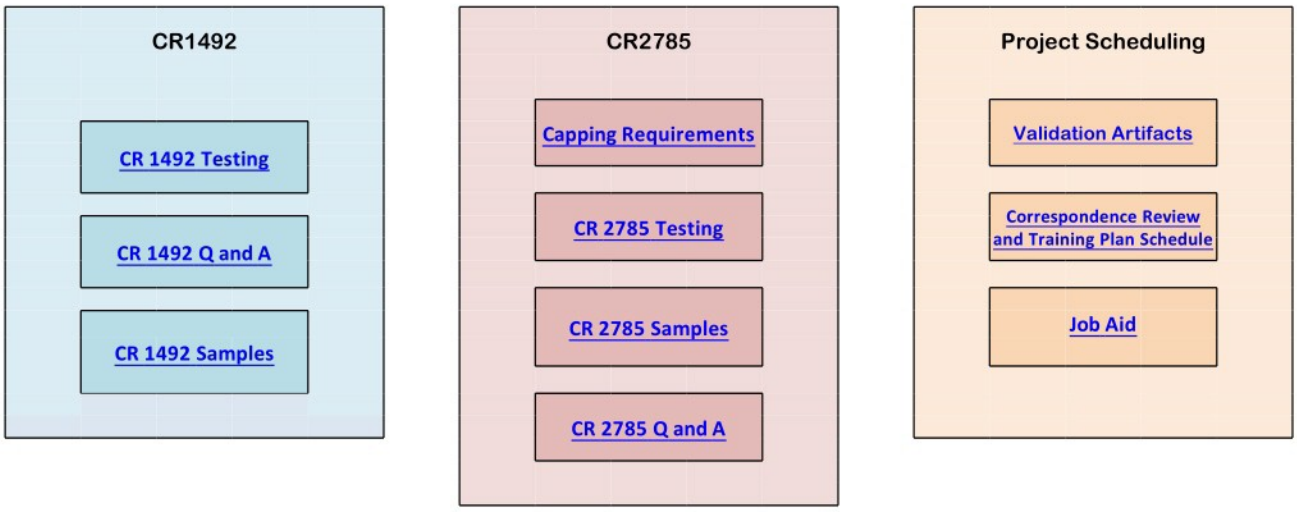
Page 1136

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.09.16	V1.01	
03.10.16	V1.02	
03.21.16	V1.03	
04.06.16	V1.04	
08.22.16	V1.05	
08.23.16	V1.06	
08.26.16	V1.07	
10.12.16	V1.08	
10.20.16	V1.09	
12.13.16	V1.10	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
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10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

HOME

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

HOME

HOME

(b)(5)

(b)(5)

Example #1 **Neg Am Capping**

HOME

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action		HOME	
1	Mohela	(b)(5)				
2	Mohela					
3	Mohela					
4	Mohela					
5	Mohela					
6	Mohela					
7	Mohela					
8	Mohela					
9	Mohela					
10	Mohela					

11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		

			(b)(5)
14	Great Lakes	5066.01	
15	Nelnet	5072	
16	Great Lakes	5072.01	
17	Navient	General	
18	Navient	General	
19	PHEAA	Job Aid Example 8	
20	Great Lakes	Job Aid P20	
21	Aspire		
22	Nelnet	5065 (Job Aid Example 5)	
23	Aspire	General	
24	PHEAA	Implementation Plan	
25	Aspire	General	
26	Aspire	General	
27	Nelnet	Job Aid Example 4	
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	

			(b)(5)
33	Aspire	5065	
34	Nelnet	5023.04 (Job Aid 1)	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		
40	Navient	5065	
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	

48	Navient	Job Aid Example 1	(b)(5)
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	
53	PHEAA	5023	
54	PHEAA	5023	
55	PHEAA	5023	

56	CornerStone	5023	(b)(5)
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	

62	Nelnet	Q & A 56	(b)(5)
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		
66	Nelnet		
67	PHEAA		
68	PHEAA		

69	PHEAA		(b)(5)
70	Navient		
71	Navient		
72	Navient		
73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	

74	Nelnet	5069 5066.02	(b)(5)
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	

82	Navient	EA27 Change	(b)(5)
83	PHEAA		
84	Great Lakes		
85	Navient		

86	Nelnet		(b)(5)
87	Nelnet		
88	Nelnet		
89	Navient		
90	Great Lakes		

91	Great Lakes		(b)(5)
92	Great Lakes		
93	Great Lakes		
94	Great Lakes		
95	Great Lakes		

96	Great Lakes		(b)(5)
97	Great Lakes		
98	Great Lakes		
99	Great Lakes		
100	Great Lakes		

101	Great Lakes		(b)(5)
102	Great Lakes		
103	Great Lakes		

104	Great Lakes		(b)(5)
105	Great Lakes		
106	Great Lakes		
107	Great Lakes		
108	Navient		
109	Navient		
110	Navient		
111	Navient		
112	Navient		
113	Navient		

114	Navient		(b)(5)
115	Navient		
116	Navient		
117	Nelnet		
118	Nelnet		
119	Nelnet		
120	Nelnet		
121	Nelnet		
122	Nelnet	6	
123	Nelnet	6	
124	Nelnet	7	
125	Nelnet		
126	Nelnet		
127	Nelnet		
128	Nelnet		
129	Nelnet		
130	Nelnet		

131	Nelnet		(b)(5)
132	Nelnet		
133	Nelnet		
134	Nelnet		
135	Nelnet		
136	Nelnet		
137	Nelnet		
138	Nelnet		
139	Nelnet		
140	Navient		
141	Navient		
142	Great Lakes		
143	Navient		
144	Navient		

145	Navient		(b)(5)
146	Navient		
147	Navient		
148	Navient		
149	Navient		
150	Navient		
151	Navient		
152	Navient		
153	Navient		
154	Navient		
155	Navient		
156	Navient		

157	Navient		(b)(5)
158	Navient		
159	Navient		
160	Nelnet		
161	Nelnet		

162	Nelnet		(b)(5)
163	Nelnet		
164	Nelnet		

HOME

Capitalization Job Aid_102016

HOME

HOME

Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

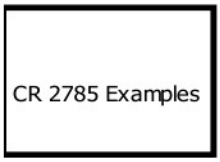
The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

HOME


Neg Am Scenarios


CR 2785 Examples

From: Battle, Cynthia
Sent: 27 Jan 2012 09:03:26 -0600
To: Foss, Ian;Jackson, Lateata
Subject: RE: CR 1492 - Interest Capitalization Practices - PHEAA's Revised Assessment Review

Ian -- LaTeata had an emergency so couldn't participate. We will reschedule

---

From: Foss, Ian
Sent: Friday, January 27, 2012 10:02 AM
To: Jackson, Lateata; Battle, Cynthia
Subject: RE: CR 1492 - Interest Capitalization Practices - PHEAA's Revised Assessment Review

The passcode is invalid?

-----Original Appointment-----
From: Jackson, Lateata
Sent: Tuesday, January 24, 2012 3:57 PM
To: Battle, Cynthia; Buendia, Mario; Walsh, Mark; Foss, Ian
Subject: CR 1492 - Interest Capitalization Practices - PHEAA's Revised Assessment Review
When: Friday, January 27, 2012 10:00 AM-10:30 AM (GMT-05:00) Eastern Time (US & Canada).
Where: Conference Call (b)(6) participants (b)(6)

From: Foss, Ian
Sent: 27 Jan 2012 15:05:43 +0000
To: Battle, Cynthia;Jackson, Lateata
Subject: RE: CR 1492 - Interest Capitalization Practices - PHEAA's Revised Assessment Review

Sorry, I obviously hadn't read this when I sent the other email.

> -----Original Message-----
> From: Battle, Cynthia
> Sent: Friday, January 27, 2012 9:52 AM
> To: Jackson, Lateata; Buendia, Mario; Foss, Ian; Walsh, Mark
> Subject: RE: CR 1492 - Interest Capitalization Practices - PHEAA's Revised
> Assessment Review
>
> We will need to reschedule this meeting. Thanks
> _____
> From: Jackson, Lateata
> Sent: Tuesday, January 24, 2012 3:56 PM
> Required: Jackson, Lateata; Battle, Cynthia; Buendia, Mario; Foss, Ian; Walsh,
> Mark
> Subject: CR 1492 - Interest Capitalization Practices - PHEAA's Revised
> Assessment Review
> When: Friday, January 27, 2012 10:00 AM-10:30 AM.
> Where: Conference Call (b)(6) participants (b)(6)

From: Foss, Ian
Sent: 15 Sep 2011 19:33:53 +0000
To: Battle, Cynthia;Ninemire, Sandra
Cc: Sipple-Asher, Bessie
Subject: RE: CR 1492 - Interest Capitalization

(b)(5)

With regarding to number two, (b)(5)

(b)(5)

PLUS Loans should not cap when entering repayment (read: are fully disbursed); this is not due to our regulations, but reflects our long-standing DL practice. We all know this.

Have we polled them on their IBR-related change?

From: Battle, Cynthia
Sent: Thursday, September 15, 2011 3:16 PM
To: Foss, Ian; Ninemire, Sandra
Cc: Sipple-Asher, Bessie
Subject: FW: CR 1492 - Interest Capitalization

And here's the GL response....

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Thursday, September 15, 2011 2:40 PM
To: Jackson, Lateata; Battle, Cynthia
Cc: Leitl, Jill
Subject: CR 1492 - Interest Capitalization

Here's what I found out -

(b)(5)

(b)(5)

Hopefully this helps. We could schedule a call for Monday if you want to discuss it further.

I also wanted to double-check something with you. (b)(5)

(b)(5)

From: Raling, Patricia
Sent: 20 Jun 2012 08:38:10 -0500
To: Foss, Ian
Subject: RE: CR 1492 Follow up Question

Thanks Ian, I will get together with Rosa to see what she thinks would be the next steps – also, the CR changes haven't been implemented for all servicers yet, we are still conducting validation – just received Nelnet's and Great Lakes – completed SLM's – I keep you in the loop…..

Regards,
Patricia C. Raling
Program Management
Direct Loans Division
Department of Education
(202)-377-3457

From: Foss, Ian
Sent: Tuesday, June 19, 2012 7:41 PM
To: Raling, Patricia
Cc: Wright, Rosalizes
Subject: Re: CR 1492 Follow up Question

Patty,

I agree with Granite State's assessment of the situation, and that they should follow requirements that are in CR 1492.

A non-capping administrative forbearance would only be used in accordance with 685.205(b)(9). Therefore, administrative forbearances granted associated with discharge/forgiveness or covering periods of delinquency when entering a deferment or forbearance are capping forbearances. As they noted in the latter situation, if the administrative forbearance is contiguous to a period of deferment/forbearance, then the capitalization would be delayed until "active" repayment ensues.

Rosa, does this jive with your recollection?

Patty, it might behoove us to check in with Frank—it was my understanding that he was taking CRs and implementing these into the NFP requirements on an ongoing basis. Given that we submitted this CR a while ago, I would think that this would have already been done.

Ian

On Jun 19, 2012, at 10:21 , "Raling, Patricia" <Patricia.Raling@ed.gov> wrote:

I need your assistance in getting the below questions answered by tomorrow – please let me know if can provide this information and if not, then who may – thanks for your help while Cindy in out.

Regards,
Patricia C. Raling
Program Management
Direct Loans Division
Department of Education
(202)-377-3457

From: Jackson, Lateata
Sent: Tuesday, June 19, 2012 10:18 AM
To: Raling, Patricia; Battle, Cynthia
Subject: FW: CR 1492 Follow up Question

Could you please provide me the answer the below question by cob 6/20/2012?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

http://www.the3day.org/goto/Lateata

(b)(4); (b)(6)

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto: @gsmr.org]
Sent: Tuesday, June 19, 2012 7:43 AM
To: Jackson, Lateata
Subject: CR 1492 Follow up Question

Hi Lateata,

Lynn Smith let us know to hold off on our RFP for CR 1492 which we are doing. However, we do have a question related to this CR that we are hoping you can help answer. Please see below:

> Per Change Request (CR) #1492, FSA stated that capitalization is permitted for all forbearances, except for a non-capitalizing forbearance as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11). In other words, interest capitalization is permitted for all periods of forbearance except for periods of administrative forbearance granted to collect and process documentation supporting the borrower's request for a deferment, forbearance, change in repayment plan, or consolidation loan.
>
> However, NFP business requirement 5034.01 states that "a non-capitalizing forbearance is granted in situations that include, but are not limited to, periods necessary to determine the borrower's

eligibility for discharge and to cover delinquent periods of time immediately preceding a deferment."

When granting administrative forbearance to cover the period for which payments are overdue at the beginning of an authorized deferment period, should interest be capitalized in accordance with federal regulations and CR 1492, or should interest not be capitalized in accordance with business requirement 5034.01?

Please also confirm that if interest is to be capitalized, based on the special rule for periods of back-to-back deferment and/or forbearance in CR #1492, the unpaid interest accrued during both the administrative forbearance and deferment periods would be capitalized at the end of the deferment period.

Thank you

(b)(4); (b)(6)
AVP Corporate and Servicing Project Management
Granite State Management & Resources
The NHHEAF Network Organizations
4 Barrell Court
Concord, NH 03301
(b)(6)
(b)(4); (b)(6) @gsmr.org
www.nhheaf.org

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From: Raling, Patricia
Sent: 21 Jun 2012 15:07:37 -0500
To: Jackson, Lateata;Wright, Rosalizes
Cc: Foss, Ian
Subject: RE: CR 1492 Follow up Question

Lateata,

(b)(5)

Regards,
Patricia C. Raling
Program Management
Direct Loans Division
Department of Education
(202)-377-3457

From: Jackson, Lateata
Sent: Thursday, June 21, 2012 3:26 PM
To: Wright, Rosalizes; Raling, Patricia
Subject: RE: CR 1492 Follow up Question

Okay, so now what do I send to GS?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

http://www.the3day.org/goto/Lateata

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Wright, Rosalizes
Sent: Wednesday, June 20, 2012 4:50 PM
To: Foss, Ian; Raling, Patricia
Cc: Jackson, Lateata
Subject: RE: CR 1492 Follow up Question

Hi Ian,

Sorry I am a little late in responding -- BUSY day. I do agree with the Granite's assessment and your response of the capitalization events. I wanted to confirm one item and did go through some old notes

with Patty a few minutes ago because I know we actually worked on a non-capping forbearance rule/discussion years ago. Surprisingly, I was able to find it and it does confirm our recollections.

I hope this helps and please let me know we need to provide anything additional. Thanks!

Rosa

From: Foss, Ian
Sent: Tuesday, June 19, 2012 7:41 PM
To: Raling, Patricia
Cc: Wright, Rosalizes
Subject: Re: CR 1492 Follow up Question

Patty,

I agree with Granite State's assessment of the situation, and that they should follow requirements that are in CR 1492.

A non-capping administrative forbearance would only be used in accordance with 685.205(b)(9). Therefore, administrative forbearances granted associated with discharge/forgiveness or covering periods of delinquency when entering a deferment or forbearance are capping forbearances. As they noted in the latter situation, if the administrative forbearance is contiguous to a period of deferment/forbearance, then the capitalization would be delayed until "active" repayment ensues.

Rosa, does this jive with your recollection?

Patty, it might behoove us to check in with Frank—it was my understanding that he was taking CRs and implementing these into the NFP requirements on an ongoing basis. Given that we submitted this CR a while ago, I would think that this would have already been done.

Ian

On Jun 19, 2012, at 10:21 , "Raling, Patricia" <Patricia.Raling@ed.gov> wrote:

I need your assistance in getting the below questions answered by tomorrow – please let me know if can provide this information and if not, then who may – thanks for your help while Cindy in out.

Regards,
Patricia C. Raling
Program Management
Direct Loans Division
Department of Education
(202)-377-3457

From: Jackson, Lateata
Sent: Tuesday, June 19, 2012 10:18 AM
To: Raling, Patricia; Battle, Cynthia
Subject: FW: CR 1492 Follow up Question

Could you please provide me the answer the below question by cob 6/20/2012?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

http://www.the3day.org/goto/Lateata

(b)(4); (b)(6)

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto gsmr.org]
Sent: Tuesday, June 19, 2012 7:43 AM
To: Jackson, Lateata
Subject: CR 1492 Follow up Question

Hi Lateata,

Lynn Smith let us know to hold off on our RFP for CR 1492 which we are doing. However, we do have a question related to this CR that we are hoping you can help answer. Please see below:

> Per Change Request (CR) #1492, FSA stated that capitalization is permitted for all forbearances, except for a non-capitalizing forbearance as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11). In other words, interest capitalization is permitted for all periods of forbearance except for periods of administrative forbearance granted to collect and process documentation supporting the borrower's request for a deferment, forbearance, change in repayment plan, or consolidation loan.
>
> However, NFP business requirement 5034.01 states that "a non-capitalizing forbearance is granted in situations that include, but are not limited to, periods necessary to determine the borrower's eligibility for discharge and to cover delinquent periods of time immediately preceding a deferment."
>
> When granting administrative forbearance to cover the period for which payments are overdue at the beginning of an authorized deferment period, should interest be capitalized in accordance with federal regulations and CR 1492, or should interest not be capitalized in accordance with business requirement 5034.01?
>
> Please also confirm that if interest is to be capitalized, based on the special rule for periods of back-to-back deferment and/or forbearance in CR #1492, the unpaid interest accrued during both the administrative forbearance and deferment periods would be capitalized at the end of the deferment period.

Thank you

(b)(4); (b)(6)
AVP Corporate and Servicing Project Management
Granite State Management & Resources
The NHHEAF Network Organizations
4 Barrell Court
Concord, NH 03301
(b)(4); (b)(6)
(b)(4); (b)(6) @gsmr.org
www.nhheaf.org

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From: Jackson, Lateata
Sent: 14 Dec 2011 11:40:04 -0600
To: Battle, Cynthia;Foss, Ian
Subject: RE: CR 1492 Question Clarification Follow up from Call 12/12/2011

Forgive me for being dense. I don't see the scenario you are referring to. I would be more comfortable if you contact Doug.

From: Battle, Cynthia
Sent: Wednesday, December 14, 2011 12:30 PM
To: Jackson, Lateata; Foss, Ian
Subject: RE: CR 1492 Question Clarification Follow up from Call 12/12/2011

The scenario that PHEAA presented below. If we can confirm that ACS operates in a similar manner than we can agree to the recommendation. Can you verify with Doug that DL is handling in a similar manner. If not, please confirm. Thanks

---

From: Jackson, Lateata
Sent: Wednesday, December 14, 2011 12:24 PM
To: Battle, Cynthia; Foss, Ian
Subject: RE: CR 1492 Question Clarification Follow up from Call 12/12/2011

Not sure which parts you want verified. Feel free to reach out to Doug Seeley for clarification.

From: Battle, Cynthia
Sent: Tuesday, December 13, 2011 4:28 PM
To: Jackson, Lateata; Foss, Ian
Subject: RE: CR 1492 Question Clarification Follow up from Call 12/12/2011

Ian – do you want to review / confer with Jeff?

La Teata – our capitalization decisions based on the core DL rules. Can you validate whether the rules below in line with ACS practice of capitalization when deferment / forb crosses over the annual cap event? That would close out this question (and approach)

Thanks!

From: Jackson, Lateata
Sent: Tuesday, December 13, 2011 1:38 PM
To: Battle, Cynthia; Foss, Ian
Subject: Fwd: CR 1492 Question Clarification Follow up from Call 12/12/2011

Got this from them after the meeting. I thought u already had it. Sorry

Begin forwarded message:

From: (b)(4); (b)(6) @aessuccess.org>
Date: December 12, 2011 3:15:07 PM EST
To: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
Subject: Fw: CR 1492 Question Clarification Follow up from Call 12/12/2011

Sorry Lateata.....I copied the list of invitees from the meeting, but missed you since you set the meeting up.....See below.

thanks!

(b)(4); (b)(6)

----- Forwarded by (b)(4); (b)(6) /PHEAA on 12/12/2011 03:14 PM -----

|----------->
| From: |
|----------->

(b)(4); (b)(6) /PHEAA

|----------->
| To: |
|----------->

|Cynthia.Battle@ed.gov, Tammy.Connelly@ed.gov, Patrice.Washington@ed.gov, Lynn.Smith@ed.gov, (b)(4); (b)(6) /PHEAA@pheaa, (b)(4); (b)(6) @pheaa.org, (b)(4); (b)(6) PHEAA@pheaa

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|----------->
| Cc: |
|----------->

(b)(4); (b)(6) /PHEAA@pheaa, Ian.Foss@ed.gov

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|---------->
| Date: |
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|12/12/2011 02:31 PM
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|---------->
| Subject: |
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|Public: CR 1492 Question Clarification Follow up from Call 12/12/2011
|

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All,

Here is the follow up from PHEAA based on today's call. Please let me know if you have any additional questions or if changes are needed based on the information below:

1. The definition of continuous periods of deferment and forbearance were discussed. It was confirmed that periods of deferment are considered continuous if no active installment bill exists between the end date of the previous deferment/forbearance and the start date of the new deferment start date. In the event that a deferment/forbearance is applied retroactively and covers all outstanding installment bills, the interest that was capitalized will be reversed and re-calculated based on the end date of the new deferment/forbearance.

2. Deferment/Forbearance periods that exist at the time of the Negative Amortized interest cap was discussed. PHEAA asked questions concerning the timing of the annual cap as well as questions surrounding the notification of the amount of Negative Amortized interest to the borrower. PHEAA asked

the following questions:

1. Should the annual notice to the borrower be sent in July as normal or at the end of the deferment/forbearance status? (answer was Yes)
2. What should the effective date of the cap occur as normal or should it be effective at the end of the status? (answer was Normal)
3. What effect would this cap have on the customer? If the cap is delayed, but back dated to prior to the end of the status, the amount of accrued interest communicated to the borrower would not be accurate based on the increase in balance.

Based on our discussion, PHEAA proposed the following recommendation/change to requirement 5023.03.

(b)(5)

thanks!

(b)(4); (b)(6)

Manager
FedLoan Servicing
(b)(6) (Office)

==========

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receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution

of any individual engaging
in the unauthorized use of this message.
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==========

From: Battle, Cynthia
Sent: 9 Jan 2012 15:32:02 -0600
To: Jackson, Lateata
Cc: Foss, Ian
Subject: RE: CR 1492 Question Clarification Follow up from Call 12/12/2011

Responses to PHEAA capitalization questions:

Deferment/Forbearance periods that exist at the time of the Negative Amortized interest cap was discussed. PHEAA asked questions concerning the timing of the annual cap as well as questions surrounding the notification of the amount of Negative Amortized interest to the borrower. PHEAA asked the following questions:

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(b)(5)

(b)(5)

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Manager
FedLoan Servicing
(b)(6) (Office)

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging
in the unauthorized use of this message.
==========
==========

From: Foss, Ian
Sent: 21 Nov 2013 11:18:18 -0500
To: Strudgeon, George
Subject: Re: CR 1492

Hi George,

(b)(5)

Sorry to have gotten your hopes up,

Ian

From: <Strudgeon>, George <George.Strudgeon@ed.gov>
Date: Thursday, November 21, 2013 at 10:44
To: Ian Foss <ian.foss@ed.gov>
Subject: RE: CR 1492

Ian,

(b)(5)

George

From: Strudgeon, George
Sent: Wednesday, November 20, 2013 6:22 PM
To: Foss, Ian
Subject: RE: CR 1492

Ian,

(b)(5)

Thanks for this. Here is one more little piece of background:

(b)(5)

So anything that helps people remember this was prior approved, legal, etc, helps get the audit back on track.

George

From: Foss, Ian
Sent: Wednesday, November 20, 2013 6:14 PM
To: Strudgeon, George
Subject: RE: CR 1492

George,

Thanks. I was entirely unaware of this issue.

(b)(5)

If this is an argument you want to advance with the auditors, let me know and I'll triple check it for you with those that have more historical information about our interpretation of the regulation.

Ian

From: Strudgeon, George
Sent: 11/20/13, 17:56
To: Foss, Ian
Subject: RE: CR 1492

Ian,

Sorry, I forgot. CR 1492 is the one where we standardized capitalizations across all servicers. (b)(5)

(b)(5)

George

From: Foss, Ian
Sent: Wednesday, November 20, 2013 5:47 PM
To: Strudgeon, George
Subject: RE: CR 1492

Hi George,

(b)(5)

I'll probably know what you're talking about, but need you to job my memory.

Ian

From: Strudgeon, George
Sent: 11/20/13, 17:42
To: Foss, Ian
Cc: Wright, Rosalizes
Subject: CR 1492

/* Font Definitions */
@font-face
{font-family:Calibri;
panose-1:2 15 5 2 2 2 4 3 2 4;}
/* Style Definitions */
p.MsoNormal, li.MsoNormal, div.MsoNormal
{margin:0in;
margin-bottom:.0001pt;
font-size:11.0pt;

font-family:"Calibri","sans-serif";}
a:link, span.MsoHyperlink
{mso-style-priority:99;
color:blue;
text-decoration:underline;}
a:visited, span.MsoHyperlinkFollowed
{mso-style-priority:99;
color:purple;
text-decoration:underline;}
span.EmailStyle17
{mso-style-type:personal-compose;
font-family:"Calibri","sans-serif";
color:windowtext;}
.MsoChpDefault
{mso-style-type:export-only;
font-family:"Calibri","sans-serif";}
@page WordSection1
{size:8.5in 11.0in;
margin:1.0in 1.0in 1.0in 1.0in;}
div.WordSection1
{page:WordSection1;}
-->

Ian,

We have a very urgent need with respect to the audit. The audit report is in draft stage now, and there is a finding that we are out of compliance with CFR for interest capitalization events.

Specifically, in the NELNET system FSA approved implementation of 1492 with a variance from requirements.

I need the FSA position, and support stuff from back then. Did we approve knowing non-compliance? Or did we have data on non-materiality (materiality being in the eyes of the beholder)?

We need stuff quick; there will be a meeting at 1:00PM on Thurs.

If you have anything that shows wide-spread vetting and knowledge of the issue, that would be good also.

George

From: Foss, Ian
Sent: 12 Nov 2015 14:08:08 +0000
To: Bubel, Susan
Cc: Chialastri, Taneka;Battle, Cynthia;Jackson, Lateata
Subject: RE: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Questions

Agreed, but there's no 10% limit in IBR. It's just PAYE (and ICR, but it's a different 10% limit).

From: Bubel, Susan
Sent: Monday, November 09, 2015 2:38 PM
To: Foss, Ian
Cc: Chialastri, Taneka; Battle, Cynthia; Jackson, Lateata
Subject: FW: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Questions

My response below, thoughts or corrections ? I am hoping this is the part they said they did not implement yet, although this is not NEW logic, but what should have been in place as of 1492 ☹

Thanks,

Sue

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @nelnet.net]
Sent: Monday, November 09, 2015 2:19 PM
To: Washington, Patrice
Cc: Bubel, Susan; (b)(4); (b)(6)
Subject: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Questions

Hello,

Nelnet has some clarification questions regarding CR2785.

- Is the 10% maximum for PAYE repayment calculated over the life of the loan or during each PAYE period? (b)(5)

- We have been given specific guidance for REPAYE around when to capitalize interest when a borrower exits a REPAYE plan and have a couple of follow up questions.

(b)(5)

(b)(5)

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Nelnet | Education Planning & Financing
Lincoln, Nebraska
Telephone (b)(6)

Cell: (b)(6)

From: Bubel, Susan
Sent: 26 Jan 2015 13:42:01 -0600
To: Jackson, Lateata;Battle, Cynthia;Foss, Ian;Meadows, Kim;Oldre, Lisa;Leavitt, Katharine
Cc: Ratchford, Sabrina;Washington, Patrice;Brown, Lenny;Smith, Lynn;Connelly, Tammy
Subject: RE: CR 2785 - CR 1492 Requirement Clarification REVISED CR
Attachments: CR_2785 Revised__01262015.docx

Lateata,
After discussing the validation artifacts with Cindy, we have determined, we need a bit more time to modify the previous scenarios to validate the new and clarified requirements. We will have those ready to distrinute by the clarification meeting, btu the total scenarios for this CR will not exceed 20.
I have updated the validation table to reflect this.
Thanks,
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov



From: Jackson, Lateata
Sent: Monday, January 26, 2015 12:10 PM
To: Battle, Cynthia; Foss, Ian; Meadows, Kim; Bubel, Susan; Oldre, Lisa; Leavitt, Katharine
Cc: Ratchford, Sabrina; Washington, Patrice; Brown, Lenny; Smith, Lynn; Connelly, Tammy
Subject: CR 2785 - CR 1492 Requirement Clarification REVISED CR

Based on this morning's validation meeting attached is a revised version of the CR to be sent to the contractors.
Sue/Cindy,
Please provide your approval for this version of the CR to be sent out to the contractors requesting assessment NLT 2/6/2015. I will need the scenarios that we mention in the validation section and your assistance in setting up a video conference with the contractors the afternoon of 2/3/2015 is also needed.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Business Operations Change Request Form

Send all Change Request Forms to POCChangeRequest@ed.gov

Administrative Information

Service Area Validation for Submission: Completed: ☒ **Defer:** ☐ **ID:** 2785
Requestor: Cindy Battle **Date Drafted:** 09.02.14
CR Title: 1492 Requirement Clarification **Date Received:** 9/2/14 / 01/22/2015
BA: La Teata Jackson **Anticipated Implementation Date:** NLT March 2, 2015

FSA Service/System/Area Impacted

☒ Title IV Servicers (TIVAS)	☐ Ancillary Services	☐ Call Centers
☒ Not-for-Profits (NFPs)	☐ COD	☐ FMS
☐ PSLF	☐ NSLDS	☐ Security Architecture
☐ TEACH	☐ ADM/FPDM	☐ EAI
☐ TPD	☐ CPS	☐ PEPS/IPM
☐ Perkins	☐ EDExpress	☐ SAIG
☐ DMCS/DMCS2	☐ eCampus-Based	☐ AIMS
☐ DLCS	☐ Participation Management	☐ **Other:** _____

☒ **Notification Only: NSLDS**

Reason for Change (Business Need):

Background:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

Description of Change Requested (Requirements):

This CR has been modified to:

- ***Remove compliance/non-compliance check boxes***
- ***Require Impact Assessments from all contractors***
- ***Add requirements for Never Ever Capitalizing***
- ***Provide a Job Aid to answer questions and provide scenarios***

Servicer Requirements:

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with an effective date of July 31.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) Plan, the borrower’s monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively

	amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations. NOTE: FSA notes some servicers are likely to state that "their system complies", but they have business rules that exclude from capitalization that which accrued on a prior servicer's system; please note that this condition is not acceptable compliance and will require change.
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**
5066.01	This requirement overrides any other capitalization requirement.
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).

5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**

5072.01	When payments are applied to interest amounts they shall be prorated among Neg Am and Regular interest based on their interest balances
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

Additional Information (All <u>OPERATIONAL</u> impacts must be assessed):

Capitalization References:
685.202
(b) Capitalization. (1) The Secretary may add unpaid accrued interest to the borrower's unpaid principal balance. This increase in the principal balance of a loan is called ''capitalization.''

(3) Notwithstanding § 685.208(l)(5) and § 685.209(d)(3), for a Direct Loan not eligible for interest subsidies during periods of deferment, and for all Direct Loans during periods of forbearance, the Secretary capitalizes the unpaid interest that has accrued on the loan upon the expiration of the deferment or forbearance.

(4) Except as provided in paragraph (b)(3) of this section and in § 685.208(l)(5), and § 685.209(d)(3), the Secretary annually capitalizes unpaid interest when the borrower is paying under the alternative or income contingent repayment plans and the borrower's scheduled payments do not cover the interest that has accrued on the loan.

685.209
(5) Limitation on capitalization of interest.
If the amount of a borrower's monthly payment is less than the accrued interest, the unpaid interest is capitalized until the outstanding principal amount is ten percent greater than the original principal amount. After the outstanding principal amount is ten percent greater than the original amount, interest continues to accrue but is not capitalized. For purposes of this paragraph, the original amount is the amount owed by the borrower when the borrower enters repayment.

685.211(f)(11)

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)? (THIS FIELD IS REQUIRED)
X No ☐ Yes

IST Anticipation (THIS FIELD AND DATE ARE REQUIRED):
X No ☐ Yes; Anticipated Date(s):

Post-Implementation Validation (THIS FIELD IS REQUIRED):
☐ No X Yes

Validation (REQUIRED FOR SERVICERS ONLY):

Requirement ID	Requirement	Validation Artifact(s)	Due Date
5065.00	The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.	FSA will supply each servicer with a set of up to 20 test total scenarios to demonstrate these requirements.	2/9/2015
5070.00	Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance		2/9/2015
5071.00	Interest accrued while loan is in a non-capping forbearance shall never capitalize		2/9/2015
5072.00	Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment		2/9/2015

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Sent: 26 Jan 2015 14:11:11 -0600
To: Bubel, Susan;Battle, Cynthia;Foss, Ian;Meadows, Kim;Oldre, Lisa;Leavitt, Katharine
Cc: Ratchford, Sabrina;Washington, Patrice;Brown, Lenny;Smith, Lynn;Connelly, Tammy
Subject: RE: CR 2785 - CR 1492 Requirement Clarification REVISED CR

Thanks. I will send this out shortly.

From: Bubel, Susan
Sent: Monday, January 26, 2015 2:42 PM
To: Jackson, Lateata; Battle, Cynthia; Foss, Ian; Meadows, Kim; Oldre, Lisa; Leavitt, Katharine
Cc: Ratchford, Sabrina; Washington, Patrice; Brown, Lenny; Smith, Lynn; Connelly, Tammy
Subject: RE: CR 2785 - CR 1492 Requirement Clarification REVISED CR

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Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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An OFFICE of the U.S. DEPARTMENT of EDUCATION

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From: Jackson, Lateata
Sent: Monday, January 26, 2015 12:10 PM
To: Battle, Cynthia; Foss, Ian; Meadows, Kim; Bubel, Susan; Oldre, Lisa; Leavitt, Katharine
Cc: Ratchford, Sabrina; Washington, Patrice; Brown, Lenny; Smith, Lynn; Connelly, Tammy
Subject: CR 2785 - CR 1492 Requirement Clarification REVISED CR

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Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
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Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: 31 Mar 2016 16:41:34 +0000
To: @glhec.org; @glhec (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) CornerStone CM Box (b)(4); (b)(6) OSLA CM Email; (b)(4); (b)(6) ;Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Bubel, Susan;Chialastri, Taneka;Connelly, Tammy;Foss, Ian; (b)(4); (b)(6) Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 - EA27 file for the Capping Validation Scenarios

Here is the password: (b)(6)
Please let me know if you did not receive the associated zip file.

From: Jackson, Lateata
Sent: Thursday, March 31, 2016 12:39 PM
To: @glhec.org; @glhec; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; (b)(4); (b)(6) Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR 2785 - Requirement Clarification for CR 1492 - EA27 file for the Capping Validation Scenarios

Attached is the EA27 file for the Capping Validation Scenarios for CR 2785. You will find 1 DLO EA27 with 25 borrowers (27 loans) this should be plenty for the validation scenarios.
We will the accompanying documents out to you shortly.
Password to follow.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: 3 Nov 2016 19:34:30 +0000
To: [redacted]@glhec.org; [redacted]@glhec; [redacted] PHEAACRs (PHEAACRs@pheaa.org) [redacted]@navient.com [redacted]@Navient.com; [redacted] EdFinancial CM Email; [redacted] CornerStone CM Box; [redacted] OSLA CM Email; [redacted] ;Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Bubel, Susan;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Gibson, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen; [redacted]
Cc: [redacted]
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 - Updated Workbook as of 10/20/2016
Attachments: Updated Capitalization Requirements _Workbook V01.09 102016.xlsx

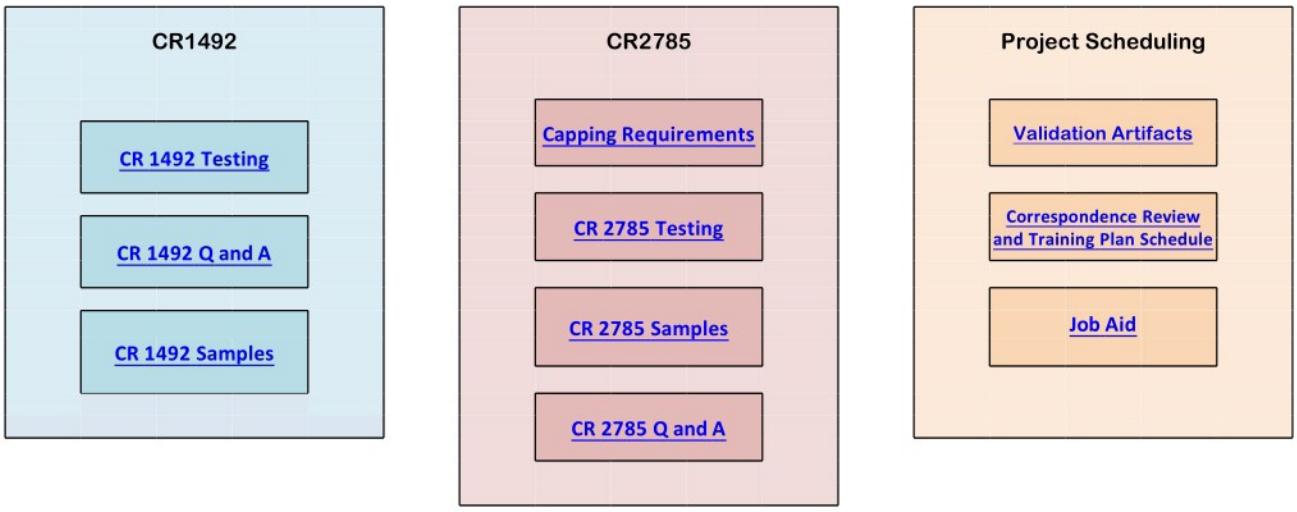
Attached is the most recent workbook for CR 2785 updated through 10/20/2016.

Since the Q&As are still being updated we marked the questions in the Q&A with (Follow up) and the scenarios have red font where the response is still outstanding or may change.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.09.16	V1.01	
03.10.16	V1.02	
03.21.16	V1.03	
04.06.16	V1.04	
08.22.16	V1.05	
08.23.16	V1.06	
08.26.16	V1.07	
10.12.16	V1.08	
10.20.16	V1.09	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

HOME

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

			(b)(5)
8	Neg Am all year - over cap at start of year	5023	
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

HOME

(b)(5)

(b)(5)

Example #1 **Neg Am Capping**

HOME

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

HOME

11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		
14	Great Lakes	5066.01		

			(b)(5)
15	Nelnet	5072	
16	Great Lakes	5072.01	
17	Navient	General	
18	Navient	General	
19	PHEAA	Job Aid Example 8	
20	Great Lakes	Job Aid P20	
21	Aspire		
22	Nelnet	5065 (Job Aid Example 5)	
23	Aspire	General	
24	PHEAA	Implementation Plan	
25	Aspire	General	
26	Aspire	General	
27	Nelnet	Job Aid Example 4	
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	
33	Aspire	5065	

			(b)(5)
34	Nelnet	5023.04 (Job Aid 1)	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		
40	Navient	5065	
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	
48	Navient	Job Aid Example 1	

			(b)(5)
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	
53	PHEAA	5023	
54	PHEAA	5023	
55	PHEAA	5023	
56	CornerStone	5023	
57	CornerStone	5023	

58	CornerStone	Job Aid Example 2	(b)(5)
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	
62	Nelnet	Q & A 56	
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		

66	Nelnet		(b)(5)
67	PHEAA		
68	PHEAA		
69	PHEAA		
70	Navient		
71	Navient		

72	Navient		(b)(5)
73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	
74	Nelnet	5069 5066.02	
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	

79	Nelnet	Job Aid 2/25/16 Ex #2	(b)(5)
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	
82	Navient	EA27 Change	
83	PHEAA		
84	Great Lakes		

85	Navient		(b)(5)
86	Nelnet		
87	Nelnet		
88	Nelnet		

89	Navient		(b)(5)
90	Great Lakes		
91	Great Lakes		
92	Great Lakes		
93	Great Lakes		
94	Great Lakes		

95	Great Lakes		(b)(5)
96	Great Lakes		
97	Great Lakes		
98	Great Lakes		
99	Great Lakes		

100	Great Lakes		(b)(5)
101	Great Lakes		
102	Great Lakes		

103	Great Lakes		(b)(5)
104	Great Lakes		
105	Great Lakes		
106	Great Lakes		
107	Great Lakes		
108	Navient		
109	Navient		
110	Navient		

111	Navient		(b)(5)
112	Navient		
113	Navient		
114	Navient		
115	Navient		
116	Navient		
117	Nelnet		
118	Nelnet		
119	Nelnet		
120	Nelnet		
121	Nelnet		
122	Nelnet	6	
123	Nelnet	6	
124	Nelnet	7	
125	Nelnet		
126	Nelnet		

			(b)(5)
127	Nelnet		
128	Nelnet		
129	Nelnet		
130	Nelnet		
131	Nelnet		
132	Nelnet		
133	Nelnet		
134	Nelnet		
135	Nelnet		
136	Nelnet		
137	Nelnet		
138	Nelnet		
139	Nelnet		
140	Navient		
141	Navient		

142	Great Lakes		(b)(5)
143	Navient		
144	Navient		
145	Navient		
146	Navient		
147	Navient		
148	Navient		
149	Navient		
150	Navient		
151	Navient		
152	Navient		
153	Navient		
154	Navient		

155	Navient		(b)(5)
156	Navient		
157	Navient		
158	Navient		
159	Navient		
160	Nelnet		
161	Nelnet		

162	Nelnet		(b)(5)
163	Nelnet		
164	Nelnet		

HOME

Capitalization Job Aid_102016

HOME

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Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

HOME


Neg Am Scenarios
Neg Am Cap Event Scenarios FSA Draft Respons

(b)(4); (b)(6)

From: Jackson, Lateata
Sent: 6 Apr 2016 18:28:30 +0000
To:
(b)(4); (b)(6) @glhec.org; @glhec; (b)(4); (b)(6)
(b)(4); (b)(6) ;PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) @navient.com; (b)(4); (b)(6)
(b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6)
(b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
(b)(4); (b)(6) OSLA CM
Email; (b)(4); (b)(6) ;Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Bubel, Susan;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Gibson, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen; (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 - Validation Artifact Scenarios

(b)(6)

All,

The zip file I sent for this was quite large. You may need to check with your IT staff to get the file sent to you.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

(b)(4); (b)(6)

(b)(4); (b)(6)

From: Jackson, Lateata
Sent: Wednesday, April 06, 2016 2:26 PM
To: @glhec.org; @glhec; (b)(4); (b)(6)
(b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) @navient.com; (b)(4); (b)(6)
(b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6)
(b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
(b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6)
(b)(4); (b)(6) Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown,

Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; (b)(4); (b)(6)

Cc: (b)(4); (b)(6)

(b)(4); (b)(6)

Subject: CR 2785 - Requirement Clarification for CR 1492 - Validation Artifact Scenarios

This zip file contains the validation artifact scenario information each servicers will need to provide the Validation artifacts for CR2785.

password to follow.

<< File: CR2785 Validation Scenario Information for Servicers.zip >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: 26 Feb 2015 12:39:38 -0600
To: Battle, Cynthia;Meadows, Kim;Jackson, Lateata;Foss, Ian
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015 -

I think the responses are very clear and concise. They look great!
Sue

From: Battle, Cynthia
Sent: Thursday, February 26, 2015 1:28 PM
To: Bubel, Susan; Meadows, Kim; Jackson, Lateata; Foss, Ian
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015 -

Last version - a few tweaks and changed format a little. Final review. Thank you!!

Current Process: We notify the customer via a letter that through 6/30 $x amount is outstanding in accrued Neg Am Interest. We advise the borrower that they may choose to pay this interest down by submitting payment by 7/31; otherwise the interest will capitalize effective 6/30. We provide the customer with a billing statement that they may use to submit the Neg Am payments specifically. We use this specific billing statement to distinguish a Neg Am payment from the next monthly payment due. Payments received with the Neg Am billing statement or specific instructions between 6/30 and 7/31 are applied effective 6/30, to reduce the amount of Neg Am accrued interest that will capitalize. Any payments not received by 7/31 or received without the Neg Am statement are applied toward regular outstanding accrued interest and principal.

(b)(5)

Future State Questions:

(b)(5)


(b)(5)

(b)(5)

From: Battle, Cynthia
Sent: 26 Feb 2015 15:12:49 -0600
To: Jackson, Lateata
Cc: Bubel, Susan;Meadows, Kim;Foss, Ian
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015 -

Yes, please. Thank you !

From: Jackson, Lateata
Sent: Thursday, February 26, 2015 3:46 PM
To: Battle, Cynthia
Cc: Bubel, Susan; Meadows, Kim; Foss, Ian
Subject: Re: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015 -

Is this the version I should be sending out?

La Teata

On Feb 26, 2015, at 1:32 PM, Battle, Cynthia <Cynthia.Battle@ed.gov<mailto:Cynthia.Battle@ed.gov>> wrote:

Last version - a few tweaks and changed format a little. Final review. Thank you!!

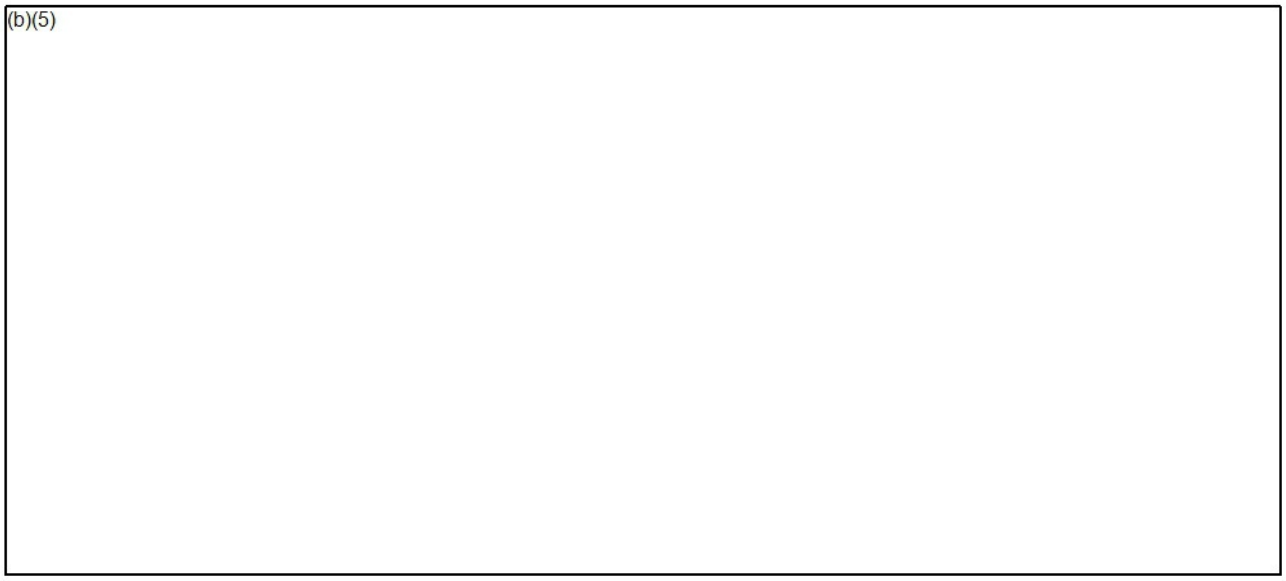
Current Process: We notify the customer via a letter that through 6/30 $x amount is outstanding in accrued Neg Am Interest. We advise the borrower that they may choose to pay this interest down by submitting payment by 7/31; otherwise the interest will capitalize effective 6/30. We provide the customer with a billing statement that they may use to submit the Neg Am payments specifically. We use this specific billing statement to distinguish a Neg Am payment from the next monthly payment due. Payments received with the Neg Am billing statement or specific instructions between 6/30 and 7/31 are applied effective 6/30, to reduce the amount of Neg Am accrued interest that will capitalize. Any payments not received by 7/31 or received without the Neg Am statement are applied toward regular outstanding accrued interest and principal.

(b)(5)

Future State Questions:

(b)(5)

(b)(5)


(b)(5)

From: Bubel, Susan
Sent: 26 Feb 2015 11:52:11 -0600
To: Battle, Cynthia;Meadows, Kim;Jackson, Lateata;Foss, Ian
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Probably ☺ How about this:

From: Battle, Cynthia
Sent: Thursday, February 26, 2015 12:42 PM
To: Meadows, Kim; Bubel, Susan; Jackson, Lateata; Foss, Ian
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

okay - no problem. After I re-read (and take into account La Teata's comment about "do they get it") - tweaking the wording a little to bridge the gap between what we think they should know and what they really 'get'.
So, when we say "regular" allocation process - is that assumed?

From: Meadows, Kim
Sent: Thursday, February 26, 2015 12:05 PM
To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia; Foss, Ian
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

After re-reading the scenario I take back my heartburn on the "with or without" wording (sorry).

Kim Meadows
Federal Student Aid, Internal Controls Division
U.S. Department of Education
830 First St. NE Washington DC 20202
(202)377-3058
kim.meadows@ed.gov
www.FederalStudentAid.gov
Start Here. Go Further

From: Bubel, Susan
Sent: Thursday, February 26, 2015 11:48 AM
To: Jackson, Lateata; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Revised, response, please feel free to modify.

From: Bubel, Susan
Sent: Thursday, February 26, 2015 9:24 AM
To: Jackson, Lateata; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Please see **my responses**. Can we meet briefly at 11 to discuss? If not then, let me know what time works for you all.
Thanks,
Sue

From: Jackson, Lateata
Sent: Thursday, February 26, 2015 7:32 AM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: Fwd: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

La Teata

Begin forwarded message:

From: (b)(4); (b)(6) @navient.com>
Date: February 26, 2015 at 7:28:17 AM EST
To: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @glhec.org>, "Washington, Patrice" <Patrice.Washington@ed.gov>, (b)(4); (b)(6) @navient.com>
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

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(b)(5)

Future State Questions:

(b)(5)

(b)(5)

Thank you

(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Monday, February 23, 2015 11:24 PM
To: (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) (b)(4); Robert; Foss, Ian; 'OSLA CM Email '; 'Suzanne Kidwell '; (b)(4); (b)(6) Hammes, (b)(4); (b)(6) (b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) Washington, Patrice;

(b)(4); (b)(6)

(b)(4); (b)(6)

Meadows, Kim; (b)(4); (b)(6)
(b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6)
; Bubel, Susan; (b)(4); (b)(6) ; Battle, Cynthia
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)

Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

FSAs response:

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Thus, requirement [5023.01] intended to allow for appropriate notification (for all billing cycles) by the servicer including a sufficient period which affords the borrower time to pay any outstanding accrued neg am interest. Any servicer systems with hardcoded dates that prevent a borrower (i.e. late billing cycle) an opportunity to pay outstanding neg am interest before the capitalization event must be addressed.

(b)(4); (b)(6)

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(b)(4); (b)(6)
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(b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6)
(b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)

Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Importance: High

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(b)(5)

(b)(5)

Thank you

(b)(4); (b)(6)

Navient

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Monday, February 23, 2015 12:12 PM
To: (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email '; (b)(4); (b)(6) (b)(4); (b)(6) (b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) Washington, Patrice; Meadows, Kim; (b)(4); (b)(6) (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia

(b)(4); (b)(6)

(b)(4); (b)(6)

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(b)(4); (b)(6)

Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

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We are looking forward to receiving your assessments by 2/25/2015

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

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From: Bubel, Susan
Sent: 26 Feb 2015 10:58:44 -0600
To: Jackson, Lateata;Battle, Cynthia;Foss, Ian;Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Revised again…

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Sent: Thursday, February 26, 2015 11:48 AM
To: Jackson, Lateata; Battle, Cynthia; Foss, Ian; Meadows, Kim
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Revised, response, please feel free to modify.

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Future State Questions:

(b)(5)

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Cc: (b)(4); (b)(6) (b)(4); (b)(6)
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(b)(5)

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From: Foss, Ian
Sent: 26 Feb 2015 14:29:56 +0000
To: Bubel, Susan;Jackson, Lateata;Battle, Cynthia;Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

I'm free at 11.

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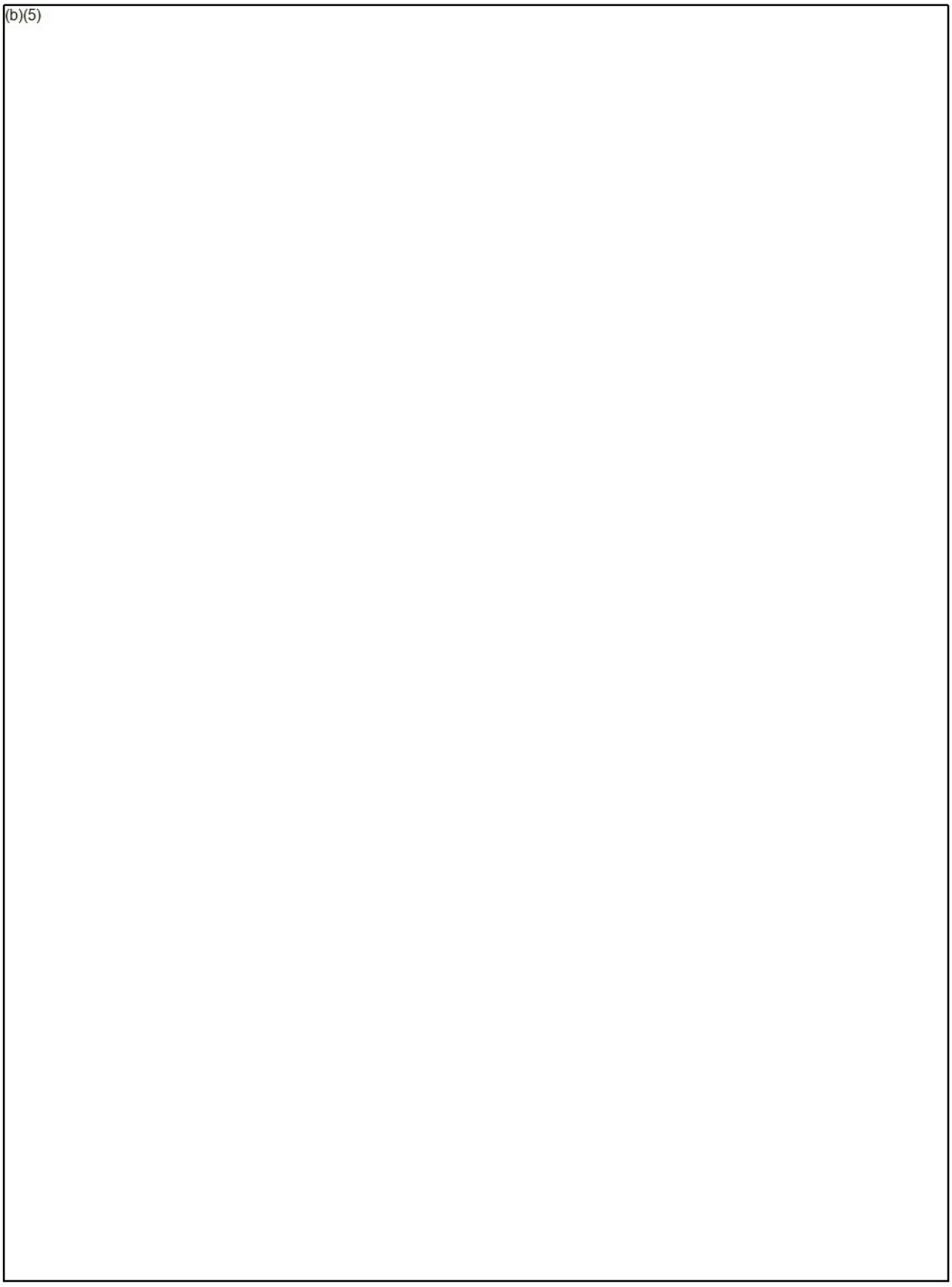
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Cc: (b)(4); (b)(6) (b)(4); (b)(6)
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Saint Francis de Sales C.O.

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From: Battle, Cynthia
Sent: 25 Feb 2015 15:13:32 -0600
To: Bubel, Susan;Jackson, Lateata;Foss, Ian
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Woohoo – we ended early this session. We are done. The Thursday time works for me.

From: Bubel, Susan
Sent: Wednesday, February 25, 2015 4:12 PM
To: Jackson, Lateata; Battle, Cynthia; Foss, Ian
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

La Teata,
I am available the following times:
Thursday: before 10:30 and 11:-1
Friday: before 10:30, 12-1, and after 2:30
I believe Cindy and Ian are at Neg Reg again tomorrow 9-4.
Thanks,
Sue

From: Jackson, Lateata
Sent: Wednesday, February 25, 2015 3:59 PM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian
Subject: FW: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

When would be good for you?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
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An OFFICE of the U.S. DEPARTMENT of EDUCATION

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From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Wednesday, February 25, 2015 2:44 PM
To: Jackson, Lateata
Cc: Washington, Patrice; Connelly, Tammy
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Thank you La Teata – would it be possible to have a brief clarification call with our team to walk through this response?
Thanks
Matt

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, February 25, 2015 9:54 AM
To: (b)(4); (b)(6)
Cc: Washington, Patrice; Connelly, Tammy
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

FSA Responses are n blue:

La Teata –
Our team had two additional questions regarding CR2785

5	Nelnet		(b)(5)
6	Nelnet		

				(b)(5)

Thanks
Matt

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From: (b)(4); (b)(6) [mailto(b)(4); (b)(6) @nelnet.net]
Sent: Tuesday, February 24, 2015 7:18 AM
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(OSLA); (b)(4); (b)(6) (Edfinancial); (b)(4); (b)(6) (VSAC); 'EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) OSLA); Washington, Patrice; Meadows, Kim; (b)(4); (b)(6) (b)(4); (b)(6) EDFINANCIAL); (b)(4); (b)(6) (GSMR); (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) (OSLA); Bubel, Susan; (b)(4); (b)(6) (OSLA); Battle, Cynthia

Cc: (b)(4); (b)(6)

(b)(4); (b)(6)

Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

FSAs response:

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Thus, requirement [5023.01] intended to allow for appropriate notification (for all billing cycles) by the servicer including a sufficient period which affords the borrower time to pay any outstanding accrued neg am interest. Any servicer systems with hardcoded dates that prevent a borrower (i.e. late billing cycle) an opportunity to pay outstanding neg am interest before the capitalization event must be addressed.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]

Sent: Monday, February 23, 2015 2:34 PM

To: Jackson, Lateata; (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email '; (b)(4); (b)(6) (b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) Washington, Patrice; Meadows, Kim; (b)(4); (b)(6) (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia

(b)(4); (b)(6)

Cc: (b)(4); (b)(6)

(b)(4); (b)(6)

Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Importance: High

Afternoon La Teata,

During our review of the updated requirement and job aid document we still have a concern over the way that payments are applied to Neg Am interest post 7/31. The response to this issue will directly impact our Impact Assessment.

(b)(5)

(b)(5)

Thank you

(b)(4); (b)(6)

Navient

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]

Sent: Monday, February 23, 2015 12:12 PM

To: (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email '; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) (b)(4); (b)(6) Washington, Patrice; Meadows, Kim; (b)(4); (b)(6) (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia

Cc: (b)(4); (b)(6) (b)(4); (b)(6)

(b)(4); (b)(6)

Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

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We are looking forward to receiving your assessments by 2/25/2015

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

This E-Mail has been scanned for viruses.

From: Bubel, Susan
Sent: 24 Feb 2015 16:19:00 -0600
To: Jackson, Lateata
Cc: Meadows, Kim;Battle, Cynthia;Foss, Ian
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

La Teata,
I checked with Cindy and she is good with these responses below. Feel free to send along to the Servicer.
Thanks,
Sue

From: Bubel, Susan
Sent: Tuesday, February 24, 2015 8:40 AM
To: Battle, Cynthia; Foss, Ian
Cc: Jackson, Lateata; Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Ian and Cindy,
Can you please confirm my response to these two questions? See responses below:

From: Jackson, Lateata
Sent: Tuesday, February 24, 2015 7:56 AM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: Fwd: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

More questions

Begin forwarded message:

From: (b)(4); (b)(6) @nelnet.net>
Date: February 24, 2015 at 7:18:11 AM EST
To: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
Cc: "Washington, Patrice" <Patrice.Washington@ed.gov>, "Connelly, Tammy" <Tammy.Connelly@ed.gov>
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

La Teata –
Our team had two additional questions regarding CR2785

5	Nelnet		(b)(5)
6	Nelnet		

(b)(5)

(b)(4); (b)(6)

Thanks

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Monday, February 23, 2015 11:24 PM
To: (b)(4); (b)(6) (VSAC); (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email '; (b)(4); (b)(6) (b)(4); (b)(6) (OSLA); (b)(4); (b)(6) (Edfinancial); (b)(4); (b)(6) (VSAC); 'EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) (OSLA); Washington, Patrice; Meadows, Kim; (b)(4); (b)(6) (EDFINANCIAL); (b)(4); (b)(6) (GSMR); (b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) (OSLA); Bubel, Susan; (b)(4); (b)(6) (OSLA); Battle, Cynthia
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)

(b)(4); (b)(6)

Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

FSAs response:

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Sent: Monday, February 23, 2015 2:34 PM
To: Jackson, Lateata; (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) (b)(4); (b)(6) Foss, Ian; 'OSLA CM Email '; (b)(4); (b)(6) (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) Washington, Patrice;

Meadows, Kim; (b)(4); (b)(6)
(b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6)
(b)(4); Bubel, Susan; (b)(4); (b)(6) Battle, Cynthia
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)

Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Importance: High

Afternoon La Teata,

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(b)(5)

(b)(5)

Thank you

(b)(4); (b)(6)

Navient

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(b)(4); (b)(6) Foss, Ian; 'OSLA CM Email '; (b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6) 'EdFinancial CM Email'; Smith, Lynn; (b)(4); (b)(6) Washington, Patrice;
Meadows, Kim; (b)(4); (b)(6)
(b)(4); (b)(6) Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6)
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Cc: (b)(4); (b)(6)
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Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

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Saint Francis de Sales C.O.

This E-Mail has been scanned for viruses.

(b)(4); (b)(6)

From: (b)(4); (b)(6)
Sent: 23 Feb 2015 19:33:54 +0000
To: Jackson, Lateata (b)(4); (b)(6) @glhec; (b)(4); (b)(6) ;Leavitt, Katharine; (b)(4); (b)(6) ;Ratchford, Sabrina; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) Foss, Ian;'OSLA CM Email ' (b)(4); (b)(6) (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email';Smith, Lynn; (b)(4); (b)(6) Washington, Patrice;Meadows, Kim; (b)(4); (b)(6) (b)(4); (b)(6) ;Tessitore, Lisa; (b)(4); (b)(6) @Navient.com;Connelly, Tammy; (b)(4); (b)(6) ;Bubel, Susan; Battle, Cynthia
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Attachments: Copy of Neg Am Capping.xlsx
Importance: High

Afternoon La Teata,
During our review of the updated requirement and job aid document we still have a concern over the way that payments are applied to Neg Am interest post 7/31. The response to this issue will directly impact our Impact Assessment.

(b)(5)

(b)(5)

Thank you

(b)(4); (b)(6)

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Cc: (b)(4); (b)(6)
(b)(4); (b)(6)

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Saint Francis de Sales C.O.

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(b)(5)

(b)(5)

From: (b)(4); (b)(6)
Sent: 27 Feb 2015 14:05:17 +0000
To: Jackson, Lateata
Cc: (b)(4); (b)(6) ;Washington, Patrice;(b)(4); (b)(6) ;Battle, Cynthia;Bubel, Susan;Foss, Ian;Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Thank you LaTeata, I'm out of the office today but will gather the information you are requesting and provide it on Monday.

(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Friday, February 27, 2015 8:31 AM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6) Washington, Patrice;(b)(4); (b)(6) Battle, Cynthia; Bubel, Susan; Foss, Ian; Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

FSA Responses are below in **red**. FSA is would like a clarification meeting with Navient to ensure we are all on the same page. Please read the below responses and provide the documentation FSA is requesting and the clarification meeting will be set for Monday or Tuesday of next week:

Current Process: We notify the customer via a letter that through 6/30 $x amount is outstanding in accrued Neg Am Interest. We advise the borrower that they may choose to pay this interest down by submitting payment by 7/31; otherwise the interest will capitalize effective 6/30. We provide the customer with a billing statement that they may use to submit the Neg Am payments specifically. We use this specific billing statement to distinguish a Neg Am payment from the next monthly payment due. Payments received with the Neg Am billing statement or specific instructions between 6/30 and 7/31 are applied effective 6/30, to reduce the amount of Neg Am accrued interest that will capitalize. Any payments not received by 7/31 or received without the Neg Am statement are applied toward regular outstanding accrued interest and principal.

(b)(5)

Future State Questions:

(b)(5)

(b)(5)

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, February 26, 2015 7:28 AM
To: Jackson, Lateata
Cc: (b)(4); (b)(6) Washington, Patrice; (b)(4); (b)(6)
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

(b)(4); (b)(6)

Lateata,

In addition to the clarification that [redacted] provided earlier this week in follow up to the below (attached email), I wanted to provide some additional clarification we would need as this will be a change for us. I've tried to outline our current process and the future state questions we still have.

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(b)(5)

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Oldre, Lisa; (b)(4); (b)(6) Connelly, Tammy; (b)(4); (b)(6) Bubel, Susan;
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Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Importance: High

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(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

Cc: (b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

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From: Jackson, Lateata
Sent: 9 Mar 2015 11:22:47 -0500
To: Bubel, Susan;Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015
Attachments: ALL CR 2785 ASSESSMENTS AS OF 03092015.ZIP

Attached are all 11 assessments from all 11 Federal Servicers. Please let me know when you would like to have an assessment review to go over them to recommend approval or reject assessments?

From: Jackson, Lateata
Sent: Friday, February 27, 2015 9:58 AM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015

Attached are the 5 assessments we received thus far. We are still waiting for PHEAA, EdFinancial, Aspire, CornerStone, OSLA and MOHELA

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Not-for Profit (NFP) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE	
Change Request (CR) #:	2785
CR Title:	**1492 Requirement Clarification (Capitalization)**
Not-for-Profit:	Aspire Resources Inc. / 700503
High Level Approach:	In 2011, Federal Student Aid issued change request 1492 to standardize capitalization practices amongst federal servicers. CR 2785 provides clarification on the proper interpretation of CR 1492. Aspire will adhere to the following requirements as outlined in CR 2785: • 5023.00 ○ Aspire shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan. • 5023.01 ○ Aspire shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30. • 5023.02 ○ Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment. • 5023.03 ○ For loans that are in a deferment or forbearance at the time of the annual capitalization, Aspire will delay capitalization processing date until the end of the deferment or forbearance, but the effective date should still be June 30. • 5023.04 ○ Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.

- 5065.00
  - Aspire shall capitalize all outstanding, unpaid interest (excluding neg am* and non-capping) at the end of a capping deferment or forbearance period.

    * Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

- 5065.01
  - Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.

- 5066.00
  - Aspire shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).

- 5066.01
  - This requirement overrides any other capitalization requirement.

- 5066.02
  - Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.

- 5066.03
  - For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.

- 5066.04
  - For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.

- 5067.00
  - Aspire shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.

- 5068.00
  - Aspire shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).

- 5068.01
  - When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.

- 5068.02
  - When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).
- 5068.03
  - For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.

- 5068.04
  - For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.

- 5068.05
  - For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.

- 5068.06
  - For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.

- 5068.07
  - For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.

- 5068.08
  - For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.

- 5068.09
  - For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.

- 5069.00
  - Aspire shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), Aspire will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.

- 5069.01
  - The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.

- 18001.03
  - Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. This administrative forbearance is a non-capping forbearance.

- 5070.00
  - Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance.

- 5071.00
  - Interest accrued while loan is in a non-capping forbearance shall never capitalize.

- 5072.00
  - Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment.

- 5072.01
  - When payments are applied to interest amounts they shall be pay down interest amounts in the following order:
    1. Neg Am
    2. Regular interest
    3. Non-Capping

- 5072.02
  - Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances.

Aspire uses the PHEAA COMPASS[SM] servicing system. PHEAA controls the servicing system logic behind when capping events occur. Please reference PHEAA's impact analysis for system changes related to this change request.

Please find below a document that details the system changes PHEAA will make for CR 2785 (completed by PHEAA).

Aspire will support this change request by updating its processes/procedures, completing the 20 scenarios received from FSA, and testing system changes, as PHEAA makes them.

Risks:	None Identified
Assumptions:	None Identified
ROM: *(Hours/LOE ONLY. DO NOT include any cost information.)*	Estimated hours: 500.5

Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	05/31/2016
Alternative Solution(s) Proposed: *(If Applicable)*	None Identified
Not-for-Profit Contact:	Name: (b)(4); (b)(6) FSA Support Mailbox Phone # (b)(4); (b)(6) Email: @studentloan.org FSASupport@aspireresourcesinc.com

When providing Assessments, please assess each requirement with detail on what you will need to change and provide the ROM for that change.

Requirement ID	Requirement	Describe the changes you must make to comply or state "Already Compliant"	ROM
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.	Already Compliant	
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	Already Compliant	
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	System will be modified to delay capping when the application date is covered not when the effective date is covered	TBD
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	Already Compliant	
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**	The system will be modified to categorize interest and exclude non-capping from capping events.	TBD
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	Already Compliant	
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	Will be fully compliant with March 2015 release	

5066.01	This requirement overrides any other capitalization requirement.		
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	Will be fully compliant with March 2015 release	
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	Will be fully compliant with March 2015 release	
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	Will be fully compliant with March 2015 release	
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	Already Compliant	
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**		
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.	Already Compliant	
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).	The system will be modified to ensure non-capping forbearance are properly identified	TBD
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.	Already Compliant	
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.	Already Compliant	
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	

5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.	Already Compliant	
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.	Already Compliant	
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**	The system will be modified to ensure non-capping forbearance are properly identified.	TBD
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	Already Compliant	
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	The system will be modified to categorize the interest as non-capping	TBD
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	The system will be modified to categorize the interest as non-capping	TBD
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**	The system will be modified to categorize the interest as non-capping	TBD
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**	The system will be modified to categorize the interest as non-capping	TBD

5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping	The system modifications will be made to payment allocation to ensure the interest satisfaction occurs in correct order	TBD
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances	The system modifications will be made to payment allocation to ensure the interest satisfaction occurs in correct order	TBD

# of Staff	Hours	Total Hours	Task	Job Description	Position Responsibilities / Qualifications
55	0.50	27.50	Receive call center training	Loan Counselor - Tier 2	Call center agent taking calls from borrowers; processes complicated account inquiries Demonstrates a mastery of the Loan Counseling role by consistently performing at a level which exceeds the requirements of the position.
12	0.50	06.00	Receive call center training	Loan Counselor - Tier 1	Call center agent taking calls from borrowers. Minimum one year customer service experience in a call center environment. Strong communication, math and computer skills. Minimum high school diploma.
8	0.50	04.00	Receive call center training	Default Prevention Counselor - Tier 2	Talks to customers on inbound and outbound calls helping them get their loans current and keeping them current; processes complicated account inquiries, may be asked to perform ad hoc tasks; mentors team members. Demonstrates a mastery of the Default Prevention Counseling role by consistently performing at a level which exceeds the requirements of the position.
29	0.50	14.50	Receive call center training	Default Prevention Counselor - Tier 1	Talks to customers on inbound and outbound calls helping them get their loans current and keeping them current Minimum of one year experience in a debt collection or customer service call center environment. Strong communications and computer skills. Minimum high school diploma.
2	0.50	01.00	Receive call center training	Loan Processing Specialist - Tier 2	Analyzes and corrects NSLDS errors; processes and submits all claims and bankruptcy mail; analyzes and processes complicated account adjustments. Knowledge of student loan regulations required. Experience with Compass preferred. Typing speed of 40+ wpm. Minimum high school diploma.

# of Staff	Hours	Total Hours	Task	Job Description	Position Responsibilities / Qualifications
14	1.50	21.00	Receive account service unit training	Loan Processing Specialist - Tier 1	Analyzes and processes school enrollment information; analyzes and process adjustments. Knowledge of student loan regulations required. Experience with Compass preferred. Typing speed of 40+ wpm. Minimum high school diploma.
2	0.50	01.00	Receive call center training	Customer Service Representative I	Processes conversions onto the system, inspects loans, takes calls, performs residual federal loan tasks. Previous customer service experience and knowledge of student loan regulations preferred. Experience with Compass preferred. Typing speed of 40+ wpm. Minimum high school diploma.
4	0.50	02.00	Receive call center training	Servicing Operations Supervisor	Supervises operations and employees within the Loan Servicing Operations Division Minimum of two years recent leadership and supervisory experience in a call center environment. Must have thorough knowledge of applicable state and federal laws. Excel and Word proficiency preferred. Associates degree or higher required.
1	01.50	01.50	Receive account service unit training	Servicing Operations Supervisor	Supervises operations and employees within the Loan Servicing Operations Division Minimum of two years recent leadership and supervisory experience in a call center environment. Must have thorough knowledge of applicable state and federal laws. Excel and Word proficiency preferred. Associates degree or higher required.

# of Staff	Hours	Total Hours	Task	Job Description	Position Responsibilities / Qualifications
8	0.50	04.00	Receive call center training	Servicing Operations Coordinator	Provides guidance, instruction, and leadership to an assigned team of counselors while monitoring team performance. Audits, coordinates daily work to ensure work is done in a timely and accurate manner; also provides mentoring and training. Minimum of one year experience in a leadership role related to area role. Ability to utilize a large body of financial and regulatory information. Associate's degree or higher preferred.
1	0.50	0.50	Prepare and administer training for account service unit staff	Servicing Operations Coordinator	Provides guidance, instruction, and leadership to an assigned team of counselors while monitoring team performance. Audits, coordinates daily work to ensure work is done in a timely and accurate manner; also provides mentoring and training. Minimum of one year experience in a leadership role related to area role. Ability to utilize a large body of financial and regulatory information. Associate's degree or higher preferred.
7	0.50	03.50	Receive call center training	Quality Assurance Specialist	Monitors and audits calls for accuracy and compliance Minimum two years in call center environment; experience scoring calls in a quality assurance role preferred. Proficient in PC skills and experience with interaction recording system. Associates degree or higher preferred.
1	01.50	01.50	Receive account service unit training	Quality Assurance Specialist	Monitors and audits calls for accuracy and compliance Minimum two years in call center environment; experience scoring calls in a quality assurance role preferred. Proficient in PC skills and experience with interaction recording system. Associates degree or higher preferred.

# of Staff	Hours	Total Hours	Task	Job Description	Position Responsibilities / Qualifications
2	20.00	40.00	Prepare Training Material and administer training for call center	Trainer	Trains all new and existing staff Minimum two years experience in a training role preferably in a call center environment. Associates degree or high preferred.
1	0.50	0.50	Receive call center training	Trainer	Trains all new and existing staff Minimum two years experience in a training role preferably in a call center environment. Associates degree or high preferred.
1	1.50	01.50	Receive account service unit training	Operational Analyst	Measures and analyzes department operations to maximize efficiencies. Minimum two years experience in project management preferred. Expertise in Excel and Access required. Bachelor's degree preferred.
1	10.00	10.00	Update ToolBook and review all training materials being prepared.	Trainer	Trains all new and existing staff Minimum two years experience in a training role preferably in a call center environment. Associates degree or high preferred.
1	0.50	0.50	Receive call center training	Manager	Manages implementation and operations of strategic corporate initiatives Minimum five years leadership, compliance and/or project management experience. Knowledge of student loan regulations required. Experience with federal contracts preferred. Bachelors degree required.

# of Staff	Hours	Total Hours	Task	Job Description	Position Responsibilities / Qualifications
1	120.00	120.00	Communication with our system provider (PHEAA) to ensure we are fully compliant (i.e. conference calls, email communication). Gathering (i.e. requesting job runs in Compass, taking screen shots, validating the data) and providing all 20 test scenarios.	Policy/Compliance Analyst – Tier 1	Researches and analyzes current and proposed regulations and make recommendations and trains staff on operational updates. Knowledge of student loan and other pertinent regulations required. Ability to write and make presentations. Proficient in Word, Excel, PowerPoint. Bachelor's degree preferred.
1	120.00	120.00	Communication with our system provider (PHEAA) to ensure we are fully compliant (i.e. conference calls, email communication). Gathering (i.e. requesting job runs in Compass, taking screen shots, validating the data) and providing all 20 test scenarios.	Operational Analyst	Measures and analyzes department operations to maximize efficiencies. Minimum two years experience in project management preferred. Expertise in Excel and Access required. Bachelor's degree preferred.
1	40.00	40.00	Participate in conference calls with PHEAA and internal meetings.	Manager	Manages implementation and operations of strategic corporate initiatives Minimum five years leadership, compliance and/or project management experience. Knowledge of student loan regulations required. Experience with federal contracts preferred. Bachelors degree required.
1	40.00	40.00	Participate in conference calls with PHEAA and internal meetings.	Operational Analyst	Measures and analyzes department operations to maximize efficiencies. Minimum two years experience in project management preferred. Expertise in Excel and Access required. Bachelor's degree preferred.

1	40.00	40.00	Participate in conference calls with PHEAA and internal meetings.	Policy/Compliance Analyst – Tier 1	Researches and analyzes current and proposed regulations and make recommendations and trains staff on operational updates. Knowledge of student loan and other pertinent regulations required. Ability to write and make presentations. Proficient in Word, Excel, PowerPoint. Bachelor's degree preferred.

Total estimated hours: 500.5

Not-for Profit (NFP) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE	
Change Request (CR) #:	2785
CR Title:	1492 Requirement Clarification
Not-for-Profit:	CornerStone
High Level Approach:	PHEAA will update the Compass system for the requirements as outlined in the addendum below. CornerStone will perform system testing to ensure that Compass meets all requirements, will conduct staff training to ensure understanding of clarifying requirements, and will create artifacts.
Risks:	n/a
Assumptions:	n/a

ROM:
(Hours/LOE ONLY. DO NOT include any cost information.)

Labor Category	*Activity Performed*	*Hours*
Operations Supervisor	-Set up test accounts -Planning for testing needs (jobs to run, scheduling, etc.) -Testing -Training sessions	11.75 7.5 42 12
Operations Clerk	-Artifacts -Compliance statement -Update procedures -Create training materials	6.5 .5 1.5 3
Accounting Manager	Payment allocation testing	1
Support Clerk	Test coordination with PHEAA	24
Total		**109.75**

Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	Based on PHEAA schedule; currently May 2016.
Alternative Solution(s) Proposed: *(If Applicable)*	n/a
Not-for-Profit Contact:	(b)(4); (b)(6) @mycornerstoneloan.org (b)(6)

(b)(4); (b)(6)

Requirement ID	Requirement	Describe the changes you must make to comply or state "Already Compliant"	ROM
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.	Already Compliant	**TOTAL: 5.5 Hours** Breakdown: 0.5 hours test accounts find/set-up. 0.5 hour time-line 4 hours testing (advancement/AES contact/account updates) 0.5 hours creating artifact.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	Already Compliant	**TOTAL: 5.5 Hours** Breakdown: 0.5 hours test accounts find/set-up. 0.5 hour time-line 4 hours testing (advancement/AES contact/account updates) 0.5 hours creating artifact.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	PHEAA will modify system to delay capping when the application date is covered not when the effective date is covered	**TOTAL: 6.5 Hours** Breakdown: 0.5 hours test accounts find/set-up. 0.5 hour time-line 5 hours testing (advancement/AES contact/account updates) 0.5 hours creating artifact.

5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	Already Compliant	**TOTAL: 5.5 Hours** Breakdown: 0.5 hours test accounts find/set-up. 0.5 hour time-line 4 hours testing (advancement/AES contact/account updates) 0.5 hours creating artifact.
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**	PHEAA will modify system to categorize interest and exclude non-capping from capping events.	**TOTAL: 2.75 Hours** Breakdown: 0.25 test accounts find/set-up. 0.25 hour time-line 2 hours testing (advancement/AES contact/account updates) 0.25 hours creating artifact
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	PHEAA will modify system to categorize interest and exclude non-capping from capping events.	**TOTAL: 6.5 Hours** Breakdown: 0.5 hours test accounts find/set-up. 0.5 hour time-line 5 hours testing (advancement/AES contact/account updates) 0.5 hours creating artifact
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	PHEAA will have system be fully compliant with March 2015 release	
5066.01	This requirement overrides any other capitalization requirement.		N/A

5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	PHEAA will have system be fully compliant with March 2015 release	**TOTAL: 3.25 Hours** Breakdown: 0.5 hours test accounts find/set-up. 0.5 hour time-line 2 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	PHEAA will have system be fully compliant with March 2015 release	**TOTAL: 4.25** Breakdown: 0.5 hours test accounts find/set-up. 0.5 hour time-line 3 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	PHEAA will have system be fully compliant with March 2015 release	**TOTAL: 4.25** Breakdown: 0.5 hours test accounts find/set-up. 0.5 hour time-line 3 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	Already Compliant	**TOTAL: 1 hour** Breakdown: 0.25 hour timeline 0.25 hour verify disclosure 0.25 hour verify letter 0.25 creating artifact
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**		
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.	Already Compliant	N/A

5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).	PHEAA will modify system to ensure non-capping forbearance are properly identified	N/A
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.	Already Compliant	**TOTAL: 2.75** Breakdown: 1.25 hours test accounts find/set-up. (Manually create FFELP Loan) 0.25 hour time-line 1 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.	Already Compliant	**TOTAL: 3** Breakdown: 1.25 hours test accounts find/set-up. (Manually create FFELP Loan) 0.5 hour time-line 1 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	**TOTAL: 2.75** Breakdown: 1.25 hours test accounts find/set-up. (Manually create FFELP Loan) 0.25 hour time-line 1 hours testing (advancement/AES contact/account updates) 0.25 creating artifact

5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.	Already Compliant	**TOTAL: 1.75** Breakdown: 0.25 hours test accounts find/set-up. 0.25 hour time-line 1 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	**TOTAL: 1.75** Breakdown: 0.25 hours test accounts find/set-up. 0.25 hour time-line 1 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	**TOTAL: 1.75** Breakdown: 0.25 hours test accounts find/set-up. 0.25 hour time-line 1 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.	Already Compliant	**TOTAL: 2.75** Breakdown: 1.25 hours test accounts find/set-up. (May need to manually load this scenario) 0.25 hour time-line 1 hours testing (advancement/AES contact/account updates) 0.25 creating artifact

5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**		
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	Already Compliant	**TOTAL: 1.75** Breakdown: 0.25 hours test accounts find/set-up. 0.25 hour time-line 1 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	PHEAA will modify the system to categorize the interest as non-capping	**TOTAL: 1.75** Breakdown: 1 hours test accounts find/set-up. (Will need to manually create load this scenario to make it look like a "transfer in") 0.25 hour time-line 0.25 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	PHEAA will modify the system to categorize the interest as non-capping	**TOTAL: 1 hour** Breakdown: 0.25 hours test accounts find/set-up. 0.25 hour time-line 0.25 hours testing (advancement/AES contact/account updates) 0.25 creating artifact

5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**	PHEAA will modify the system to categorize the interest as non-capping	**TOTAL: 1.75 hours** Breakdown: 0.25 hours test accounts find/set-up. 0.25 hour time-line 1 hours testing (advancement/AES contact/account updates) 0.25 creating artifact
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**	PHEAA will modify the system to categorize the interest as non-capping	Refer to ROMs for the following requirements: 5072.01 and 5072.02
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping	PHEAA will make the system modifications to payment allocation to ensure the interest satisfaction occurs in correct order	**.5 Hours Monitor Payment Posting**
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances	PHEAA will make the system modifications to payment allocation to ensure the interest satisfaction occurs in correct order	**.5 Hours Monitor Payment Posting**

Not-for-Profit (NFP) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR) #:	2785
CR Title:	Revised – Requirement Clarification for CR 1492 Revised 02/17/2015
Not for Profit:	Granite State (GSM&R)

High Level Approach:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

This CR has been modified to:

- ***Remove compliance/non-compliance check boxes***
- ***Require Impact Assessments from all contractors***
- ***Clarified Neg Am Capitalization event timing***
- ***Add requirements for Never Ever Capitalizing***
- ***Provide a Job Aid to answer questions and provide scenarios***
- ***Provide final Q&A responses***

Servicer Requirements:

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a **processing date** of **July 31** and **effective date** of **June 30**.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization processing date until the end of the deferment or forbearance, but the effective date should still be June 30.
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.

Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am* and non-capping) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.	
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	
5066.01	This requirement overrides any other capitalization requirement.	
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	

Servicer Requirements (cont.)

5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**

Servicer Requirements (cont.)

5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

Granite State Solution Summary:

- Granite will update www.gsmr.org; the borrower-facing portal, Manage My Account (MMA); letters; and procedures in accordance with the requirements provided in the CR.
- Granite State will provide the artifacts requested in the CR.
- On behalf of Granite State, the Hosted System Provider will modify the system as described:
    - 5023.00 – 5023.01
        - No longer set the effective date of a delayed Neg Am cap to be one day after the deferment or forbearance end date; instead always backdate the Neg Am cap effective 6/30/xx.
        - Reduce the potential Neg Am cap amount with payments made between July 1 and the Neg Am cap processing date, instead of only payments made during the month of July; change is needed based on guidance given in Example #2 of the Job Aid and is not tied to a specific requirement).
        - Consider Neg Am interest as regular interest once a loan enters PFH.
    - 5023.02
        - Reevaluate the 10% Neg Am max limit and potentially adjust existing Neg Am cap(s) when disbursement amounts are adjusted
    - 5023.03 – Granite State is already compliant.
    - 5023.04 – Granite State is already compliant.
    - Revised 5065.00
        - Modify functionality to cap all outstanding interest, excluding Neg Am and Non-capping, at the end of deferment or forbearance
        - Modify interest accruals to track at what point in time gap interest accrued between back to back periods so it can be included in the proper capping event
    - 5065.01 – Granite State is already compliant.
    - 5066.00 – Granite State is already compliant.
    - 5066.01 – Granite State is already compliant.
    - 5066.02 – Granite State is already compliant.
    - 5066.03 – Granite State is already compliant.
    - 5066.04 – Granite State is already compliant.
    - 5067.00 – Granite State is already compliant.
        - Although already compliant with a manual solution, will modify for an automated solution to recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.
    - 5068.00 – Granite State is already compliant.

- 5068.01 – Granite State is already compliant.
- 5068.02 – Granite State is already compliant.
- 5068.03 – Granite State is already compliant.
- 5068.04 – Granite State is already compliant.
- 5068.05 – Granite State is already compliant.
- 5068.06 – Granite State is already compliant.
- 5068.07 – Granite State is already compliant.
- 5068.08 – Granite State is already compliant.
- 5068.09 – Granite State is already compliant.
- 5069.00 – Granite State is already compliant.
- 5069.01 – Granite State is already compliant.
- 5070.00, 5071.00
  - Modify the system to isolate non-capping interest
- 5072.00, 5072.01, 5072.02
  - Modify the system to always satisfy interest in the order prescribed by requirement 5072.01
- 18001.03 – Granite State is already compliant.

Risks:

- N/A

Assumptions:

- The solution will be implemented on a go-forward basis; accounts that have retroactive activity processed on them will be processed using the new rules.
- Artifact scenarios will be provided in time for creation during testing.
- If the following assumptions are not correct, this will cause a change to the solution and ROM:
  - 5023.02 – Neg Am max limits are tracked separately for the PAYE repayment plan.
  - 5023.03 – Neg Am caps are not posted during periods of PFH.
  - 5065.00 – Interest accruing during "gap" between back to back periods will always cap at the next capping event.
  - 5066.00 – Interest accruing during a Neg Am period remains categorized as Neg Am if a borrower enters another repayment plan (including periods of PFH).

ROM:
(Hours/LOE ONLY. DO NOT include any cost information.)

Implementation Hours: 193 - 249

Labor Category	Function	Hours
Manager, Loan Service	Procedure Updates; Letter Review; and Training (All Reqs)	49
Payment Analyst III	Artifacts (All Reqs)	1
Regulatory Compliance Specialist	Letter Review and Approval (Reqs 5065.00; 5067.00)	10
Servicing Communications Specialist	Letter Review and Updates; Website Updates; and MMA Review (Reqs 5065.00; 5067.00)	18-70
Servicing Training Specialist	Training and Documentation Updates (All Reqs)	8-12
Student Loan Analyst Lead	Artifacts; End User Testing (includes regression testing); and Training (All Reqs)	63
Student Loan Analyst III	End User Testing (includes regression testing) and Training (All Reqs)	27
Student Loan Analyst II	Training (All Reqs)	17
Total		**193 - 249**

Proposed Delivery/Implementation Date:
(mm/dd/yyyy)

7/31/2015

Alternative Solution(s) Proposed:
(If Applicable)

N/A

Servicer Contact:

Name:	Phone #:	Email:
(b)(4); (b)(6)		@gsmr.org

Not-for Profit (NFP) Impact Analysis – Technical Approach

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE	
Change Request (CR) #:	2785
CR Title:	Revised - Requirement Clarification for CR 1492
Not-for-Profit:	MOHELA
Date Submitted:	2/27/2015
High Level Approach:	In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control. During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance. *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."* This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that: **5065.00: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping*) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

	Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR. MOHELA's Approach: • Upon review of the requirements MOHELA has concluded that we are not fully in compliance. Please see the attached for the listing of requirements with the indication if we are fully compliant. MOHELA will provide the validation artifacts that are listed within the Change Request.
Risks:	The following risks have been identified by MOHELA: • n/a
Assumptions:	The following assumptions have been made by MOHELA: • Our servicing system provider will implement the required programming changes accurately and by the proposed implementation date.
ROM: *(Hours/LOE ONLY. DO NOT include any cost information.)*	0.00 hours
Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	May 2016
Alternative Solution(s) Proposed: *(If Applicable)*	n/a
Not-for-Profit Contact:	Name: (b)(4); (b)(6) Phone # Email: @MOHELA.com

Requirement ID	Requirement	Describe the changes you must make to comply or state "Already Compliant"	ROM
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.	Already Compliant	
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	Already Compliant	
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	System will be modified to delay capping when the application date is covered not when the effective date is covered	
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	Already Compliant	
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**	The system will be modified to categorize interest and exclude non-capping from capping events.	
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	Already Compliant	
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	Will be fully compliant with March 2015 release	
5066.01	This requirement overrides any other capitalization requirement.		
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	Will be fully compliant with March 2015 release	

5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	Will be fully compliant with March 2015 release	
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	Will be fully compliant with March 2015 release	
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	Already Compliant - This requirement is being meet by running Monitor to ensure the account will pay-off in time.	
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**		
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.	Already Compliant	
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).	The system will be modified to ensure non-capping forbearance are properly identified	
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.	Already Compliant	
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.	Already Compliant	
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.	Already Compliant	
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	

5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.	Already Compliant	
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**	The system will be modified to support the requirement	
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	Already Compliant	
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	The system will be modified to categorize the interest as non-capping	
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	The system will be modified to categorize the interest as non-capping	
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**	The system will be modified to categorize the interest as non-capping	
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**	The system will be modified to categorize the interest as non-capping	
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping	The system modifications will be made to payment allocation to ensure the interest satisfaction occurs in correct order	

5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances	The system modifications will be made to payment allocation to ensure the interest satisfaction occurs in correct order	

Title IV Additional Servicers (TIVAS) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR)	2785 Issued By FSA: 2/170/2015
CR Title:	1492 Requirements Clarification
TIVAS:	☐ Great Lakes ☐ Nelnet ☐ PHEAA X Navient (SLM)
High Level Approach:	See attached document that describes our current compliance position or how we will expend development hours to meet these requirements. Such hours exclude test and contingency hours that we added due to significant uncertainty with requirement 5023.3.
Risks:	Unclear requirement necessitated at 15% contingency
Assumptions:	1. FSA has proposed an impossible implementation that is not achievable. 2. Ideal implementation is May 2016 we can discuss an earlier implementation date between late February 2016 and end of March 2016. 3. 15% contingency hours are included due to outstanding questions and to cover the uncertainty in the resolution regarding requirement 5023.03. We have asked for further detail and explanation regarding payment application and presentment post the 7/31 NEG Am capping date. 4. Significant IT testing hours are required on this complex. This is consistent with our commercial work.
ROM: *(Hours only)*	5,635 ROM Hours Breakdown of ROM hours shown below or on the attached requirements chart: CLASS Finance – 1,700 (see attached chart that aggregates hrs by requirement) CLASS Customer Service – 1,535 (See attached Chart) CARES Customer Service Module – 500 (See attached Chart) Contingency hours per assumption – 600 hours (Not included on the Chart) IT Testing (ETT) – 1,300 (~35% of Finance, CS and CARES hours) Contacts: (b)(4); (b)(6) @navient.com (b)(4); (b)(6) @navient.com (b)(4); (b)(6) @navient.com
Proposed Delivery Implementation Date:	5/31/2016
Alternative Solution(s): *(If Applicable)*	

CR 2785 Navient Response
The ROM hour column includes Development (coding) hours associated with the requirements they do not include the Test Support.

Requirement ID	Requirement	Describe the changes you must make to comply or state "Already Compliant"	ROM *
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.	• Navient will make changes to the effective capitalizing date to be 7/1 instead of 6/30 to ensure that the interest accrued through 6/30 is captured. • Clarify our letter language to ensure the description of accrued Neg Am interest is through the 6/30 date.	500 Hrs.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	Already Compliant	
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	Unknown: • *Navient has submitted additional questions and clarification points surrounding this requirement. Based on the current guidance of payment application, we are unable to provide a complete assessment of the impact to our system and processes. The impacts we do know are: ○ Modify the capping event to occur retroactively to 7/1 after a def/forb status. ○ Modify the capping event to only cap the Neg Am Interest Accrual remaining after any subsequent payments made after 6/30. ○ Adjust payment proration, application and interest accrual post 6/30 retrocap event.	675 Hrs.

5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	Already Compliant	
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**		
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	Already Compliant	
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**		
5066.01	This requirement overrides any other capitalization requirement.	Already Compliant	
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	Already Compliant	
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	Already Compliant	

5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	Already Compliant	
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	Already Compliant	
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**	Already Compliant	
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.		
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).		
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.		
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.		
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.		

5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.		
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**	• Changes are required to make sure CAP is reapplied when statuses are deleted retro actively.	60 Hrs.
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	Already Compliant	
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	1. New non-capping FOR A status a. Add to profile b. Calculate total available Forb time using new status. c. Modify programs to prevent interest cap d. Modify screen (processing and display) and edits	1180 Hrs.
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	Already Compliant	

5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**	• Modify the accrual of interest to segregate non-capping interest from Neg Am and Reg Accrued Interest. Specifically; changes are required to the following processes 2. Interest accrual routine 3. Interest capping logic 4. Screen changes to display the new non capping interest bucket 5. Other impacts due to introduction of a new interest bucket. 6. New tran codes to adjust the non-capping interest bucket (manual adjustment to be used only for corrections). 7. Logic to re-disclose after non capping Forbearance. a. Assume a soft disclosure will be required to ensure that a loan does not become under-billed based on outstanding accrued interest.	1200 Hrs.
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**	• Modify payment application processes to consider non-capping accrued interest separately from Neg Am and Regular Accrued Interest. .	120 Hrs.
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping	See above	
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances	See above	

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Title IV Additional Servicers (TIVAS) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR) #:	2785
CR Title:	Requirement Clarification for CR 1492
TIVAS:	☐ Great Lakes ☒ Nelnet ☐ PHEAA ☐ Sallie Mae

High Level Approach:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

Servicer Requirements:

Requirement #	Requirement
5023	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively**

#1 FEDERAL LOAN SERVICER
LOWEST DEFAULT RATES FOR 2012 & 2013

Nelnet Solution Summary:

- 5023.00 - 5023.01 –
- Modify the system to:
  - No longer set the effective date of a delayed Neg Am cap to be one day after the deferment or forbearance end date; instead always backdate the Neg Am cap effective 6/30/xx.
  - Reduce the potential Neg Am cap amount with payments made between July 1 and the Neg Am cap processing date, instead of only payment made during the month July (Change is needed based on guidance given in the Job Aid, Example #2 and is not tied to a specific requirement)
  - Consider Neg Am interest as regular interest once a loan enters PFH.
- 5023.02 - Modify the system to reevaluate the 10% Neg Am max limit and potentially adjust existing Neg Am cap(s) when disbursement amounts are adjusted.
- 5023.03 - Nelnet is already compliant.
- 5023.04 - Nelnet is already compliant.
- Revised 5065.00 -
  - Modify functionality to cap all outstanding interest – excluding Neg Am and Non-capping – at end of deferment or forbearance.
  - Modify interest accruals to track at what point in time gap interest accrued between back to back periods so it can be included in the proper capping event.
- 5065.01 - Nelnet is already compliant.
- 5066.00 - Nelnet is already compliant.
- 5066.01 - Nelnet is already compliant.
- 5066.02 - Nelnet is already compliant.
- 5066.03 - Nelnet is already compliant.
- 5066.04 - Nelnet is already compliant.
- 5067.00 - Nelnet is already compliant with a manual solution. Nelnet will modify for an automated solution to recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.
- 5068.00 - Nelnet is already compliant.
- 5068.01 - Nelnet is already compliant.
- 5068.02 - Nelnet is already compliant.
- 5068.03 - Nelnet is already compliant.
- 5068.04 - Nelnet is already compliant.
- 5068.05 - Nelnet is already compliant.
- 5068.06 - Nelnet is already compliant.
- 5068.07 - Nelnet is already compliant.

#1 FEDERAL LOAN SERVICER
LOWEST DEFAULT RATES FOR 2012 & 2013

Risks:	
Assumptions:	• The solution will be implemented on a go-forward basis. Accounts that have retroactive activity processed on them will be processed using the new rules. • Artifact scenarios will be provided in time for creation during testing. • 5023.02 Neg Am max limits are tracked separately for the PAYE repayment plan. *If the assumption is not correct it will cause a change to the solution and ROM.* • 5023.03 Neg Am caps are not posted during periods of PFH. *If the assumption is not correct it will cause a change to the solution and ROM.* • 5065.00 interest accruing during 'gap' between back to back periods will always cap at the next capping event. *If the assumption is not correct it will cause a change to the solution and ROM.* • 5066.00 interest accruing during a Neg Am period remains categorized as Neg Am if a borrower enters another repayment plan (including periods of PFH) *If the assumption is not correct it will cause a change to the solution and ROM.*

nelnet
EDUCATION LOAN SERVICING

Federal Student Aid
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ROM:
(Hours/LOE ONLY. DO NOT include any cost information.)

- 5023.01 – 300 hours IT
  - No longer set the effective date of a delayed Neg Am cap to be one day after the deferment or forbearance end date; instead always backdate the Neg Am cap effective 6/30/xx.
  - Reduce the potential Neg Am cap amount with payments made between July 1 and the Neg Am cap processing date, instead of only payment made during the month July (Change is needed based on guidance given in the Job Aid, Example #2 and is not tied to a specific requirement)
  - Consider Neg Am interest as regular interest once a loan enters PFH.
- 5023.02 – 96 hours IT
  - Modify the system to reevaluate the 10% Neg Am max limit and potentially adjust existing Neg Am cap(s) when disbursement amounts are adjusted.
- Revised 5065.00 - 1,200 hours IT, 80 hours Operations
  - Modify functionality to cap all outstanding interest – excluding Neg Am and Non-capping – at end of deferment or forbearance.
  - Modify interest accruals to track at what point in time gap interest accrued between back to back periods so it can be included in the proper capping event.
- 5067.00 – 250 hours IT
  - Nelnet is already compliant with a manual solution. Nelnet will modify for an automated solution to recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.
- 5070.00/5071.00 – 495 hours IT
  - Nelnet will modify the system to isolate non-capping interest.
- 5072.00 - 5072.02 - 104 hours IT
  - Nelnet will modify the system to always satisfy interest in the order prescribed by requirement 5072.01.
- Artifact Creation – 96 hours

Nelnet IT Hours – 2,445
Nelnet Operational Hours – 176
Nelnet Total Hours – 2,621

nelnet
EDUCATION LOAN SERVICING

Federal Student Aid
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Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	07/31/2015
Alternative Solution(s) Proposed: *(If Applicable)*	

Servicer Contact:

Name:	Phone #:	Email:
(b)(4); (b)(6)		@nelnet.net

Not-for Profit (NFP) Revised Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE	
Change Request (CR) #:	2785
CR Title:	1492 Requirement Clarification
Not for Profit:	OSLA

High Level Approach:

Reason for Change:

Background:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations. Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

Descriptions of Change Requested (Requirements):

This CR has been modified to:

- ***Remove compliance/non-compliance check boxes***
- ***Require Impact Assessments from all contractors***
- ***Clarified Neg Am Capitalization event timing***
- ***Add requirements for Never Ever Capitalizing***
- ***Provide a Job Aid to answer questions and provide scenarios***
- ***Provide final Q&A responses***

Servicer Requirements:

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a **processing date** of **July 31** and **effective date** of **June 30**.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.

5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am* and non-capping) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**
5066.01	This requirement overrides any other capitalization requirement.
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement

	5066.04.
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.

5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

When providing Assessments, please assess each requirement with detail on what you will need to change and provide the ROM for that change.

Requirement ID	Requirement	Describe the changes you must make to comply or state "Already Compliant"	ROM
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.		
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.		
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.		
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.		
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**		

5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.		
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**		
5066.01	This requirement overrides any other capitalization requirement.		
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.		
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.		
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.		
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**		
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-**		

	requirements).		
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.		
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).		
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.		
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.		
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.		
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the		

	unsubsidized portion of the loan is also capitalized when the loan enters repayment.		
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**		
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.		
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**		
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**		
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**		
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**		
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am		

	2. Regular interest 3. Non-Capping		
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances		

Additional Information (All <u>OPERATIONAL</u> impacts must be assessed):

Capitalization References:

685.202

(b) Capitalization. (1) The Secretary may add unpaid accrued interest to the borrower's unpaid principal balance. This increase in the principal balance of a loan is called ''capitalization.''

(3) Notwithstanding § 685.208(l)(5) and § 685.209(d)(3), for a Direct Loan not eligible for interest subsidies during periods of deferment, and for all Direct Loans during periods of forbearance, the Secretary capitalizes the unpaid interest that has accrued on the loan upon the expiration of the deferment or forbearance.

(4) Except as provided in paragraph (b)(3) of this section and in § 685.208(l)(5), and § 685.209(d)(3), the Secretary annually capitalizes unpaid interest when the borrower is paying under the alternative or income contingent repayment plans and the borrower's scheduled payments do not cover the interest that has accrued on the loan.

685.209

(5) Limitation on capitalization of interest.

If the amount of a borrower's monthly payment is less than the accrued interest, the unpaid interest is capitalized until the outstanding principal amount is ten percent greater than the original principal amount. After the outstanding principal amount is ten percent greater than the original amount, interest continues to accrue but is not capitalized. For purposes of this paragraph, the original amount is the amount owed by the borrower when the borrower enters repayment.



OSLA Solution Summary:

- 5023.00 - 5023.01 –
- Out Service Provider (Nelnet) will modify the system for OSLA to:
  - No longer set the effective date of a delayed Neg Am cap to be one day after the deferment or forbearance end date; instead always backdate the Neg Am cap effective 6/30/xx.
  - Reduce the potential Neg Am cap amount with payments made between July 1 and the Neg Am cap processing date, instead of only payment made during the month July (Change is needed based on guidance given in the Job Aid, Example #2 and is not tied to a specific requirement)
  - Consider Neg Am interest as regular interest once a loan enters PFH.
- 5023.02 –Our service provider (Nelnet) will modify the system to reevaluate the 10% Neg Am max limit and potentially adjust existing Neg Am cap(s) when disbursement amounts are adjusted.
- 5023.03 - OSLA is already compliant.
- 5023.04 - OSLA is already compliant.
- Revised 5065.00 -
  - Our service provider (Nelnet) will modify functionality to cap all outstanding interest – excluding Neg Am and Non-capping – at end of deferment or forbearance.
  - Our service provider (Nelnet) will modify interest accruals to track at what point in time gap interest accrued between back to back periods so it can be included in the proper capping event.
- 5065.01 - OSLA is already compliant.
- 5066.00 - OSLA is already compliant.
- 5066.01 - OSLA is already compliant.
- 5066.02 - OSLA is already compliant.
- 5066.03 - OSLA is already compliant.
- 5066.04 - OSLA is already compliant.
- 5067.00 – OSLA will develop a manual solution. Our service provider (Nelnet) will modify for an automated solution to recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.
- 5068.00 - OSLA is already compliant.
- 5068.01 - OSLA is already compliant.
- 5068.02 - OSLA is already compliant.
- 5068.03 - OSLA is already compliant.
- 5068.04 - OSLA is already compliant.
- 5068.05 - OSLA is already compliant.
- 5068.06 - OSLA is already compliant.
- 5068.07 - OSLA is already compliant.
- 5068.08 - OSLA is already compliant.
-

- 5068.09 - OSLA is already compliant.
- 5069.00 - OSLA is already compliant.
- 5069.01 OSLA is already compliant.
- 18001.03 - OSLA is already compliant.
- 5070.00 - Our service provider (Nelnet) will modify the system to isolate non-capping interest.
- 5071.00 - See 5070.00.
- 5072.00 - Our service provider (Nelnet) will modify the system to always satisfy interest in the order prescribed by requirement 5072.01.
- 5072.01 - See 5072.00.
- 5072.02 - See 5072.00.

Risks:

-

Assumptions:

- The solution will be implemented on a go-forward basis. Accounts that have retroactive activity processed on them will be processed using the new rules.
- Artifact scenarios will be provided in time for creation during testing.
- 5023.02 Neg Am max limits are tracked separately for the PAYE repayment plan. *If the assumption is not correct it will cause a change to the solution and ROM.*
- 5023.03 Neg Am caps are not posted during periods of PFH. *If the assumption is not correct it will cause a change to the solution and ROM.*
- 5065.00 interest accruing during 'gap' between back to back periods will always cap at the next capping event. *If the assumption is not correct it will cause a change to the solution and ROM.*
- 5066.00 interest accruing during a Neg Am period remains categorized as Neg Am if a borrower enters another repayment plan (including periods of PFH) *If the assumption is not correct it will cause a change to the solution and ROM.*

ROM:
(Hours/LOE ONLY. DO NOT include any cost information.)

Operation Hours

- Team Leader Account Maintenance Hours:
  - Operational = 80 Hours
  - 5067.00 Manual Solution = 10 Hours
  - Artifact Creation = 60 Hours
- Total Team Leader Account Maintenance – 150 Hours

Total OSLA Hours = 150 hours

Alternative Solution(s) Proposed:
(If Applicable)

07/31/2015

Servicer Contact:

Name:	Phone #:	Email:
(b)(4); (b)(6)		@osla.org

Title IV Additional Servicers (TIVAS) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR) #:	2785
CR Title:	1492 Requirement Clarification
TIVAS:	☐ Great Lakes ☐ Nelnet ☒ PHEAA ☐ Sallie Mae
High Level Approach:	See attachment CR_2785 Requirement ROM Chart.doc.
Risks:	N/A
Assumptions:	1. There is no impact to delivered reports that show an interest balance. This would include NSLDS and FMS. 2. The EA27 will not be updated under this request. 3. We will modify our interest communication to reflect the new buckets.
ROM: *(Hours/LOE ONLY. DO NOT include any cost information.)*	See attachment CR_2785 Requirement ROM Chart.doc.
Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	May 2016 Proposed implementation date requires the receipt of ATO by May 2015.
Alternative Solution(s) Proposed: *(If Applicable)*	

Servicer Contact:

Name:	Phone #:	Email:
(b)(4); (b)(6)		@pheaa.org

When providing Assessments, please assess each requirement with detail on what you will need to change and provide the ROM for that change.

Requirement ID	Requirement	Describe the changes you must make to comply or state "Already Compliant"	ROM
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		219 (Not Billable)
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.	Already Compliant	
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	Already Compliant	
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	System will be modified to delay capping when the application date is covered not when the effective date is covered	
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	Already Compliant	
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**	The system will be modified to categorize interest and exclude non-capping from capping events.	493
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	Already Compliant	
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	Will be fully compliant with March 2015 release	
5066.01	This requirement overrides any other capitalization requirement.		
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	Will be fully compliant with March 2015 release	
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	Will be fully compliant with March 2015 release	

5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	Will be fully compliant with March 2015 release	
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	Already Compliant	
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**		553
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.	Already Compliant	
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).	The system will be modified to ensure non-capping forbearance are properly identified	
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.	Already Compliant	
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.	Already Compliant	
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.	Already Compliant	
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	Already Compliant	
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.	Already Compliant	
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**		563

5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	System will be modified to support Requirement	
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	The system will be modified to categorize the interest as non-capping	
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	The system will be modified to categorize the interest as non-capping	463
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**	The system will be modified to categorize the interest as non-capping	488
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**	The system will be modified to categorize the interest as non-capping	1,574
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping	The system modifications will be made to payment allocation to ensure the interest satisfaction occurs in correct order	
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances	The system modifications will be made to payment allocation to ensure the interest satisfaction occurs in correct order	

Not-for Profit (NFP) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE	
Change Request (CR) #:	2785
CR Title:	1492 Requirement Clarification
Not-for-Profit:	VSAC Federal Loans

High Level Approach:

Description of Change Requested (Requirements):

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a **processing date** of **July 31** and **effective date** of **June 30**.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization processing date until the end of the deferment or forbearance, but the effective date should still be June 30.
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.

Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am* and non-capping) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**
5066.01	This requirement overrides any other capitalization requirement.
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.

5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.

5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

When providing Assessments, please assess each requirement with detail on what you will need to change and provide the ROM for that change.

Requirement ID	Requirement	Describe the changes you must make to comply or state "Already Compliant"	ROM
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**	Modify the system to: • No longer set the effective date of a delayed Neg Am cap to be one day after the deferment or forbearance end date; instead always backdate the Neg Am cap effective 6/30/xx. • Reduce the potential Neg Am cap amount with payments made between July 1 and the Neg Am cap processing date, instead of only payment made during the month July (Change is needed based on guidance given in the Job Aid, Example #2 and is not tied to a specific requirement) • Consider Neg Am interest as regular interest once a loan enters PFH.	Nelnet as our System provider will do the work; hours included in Nelnet's ROM
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.		
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	• Modify the system to reevaluate the 10% Neg Am max limit and potentially adjust existing Neg Am cap(s) when disbursement amounts are adjusted.	Nelnet as our System provider will do the work; hours included in Nelnet's ROM
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.	• VSAC is already compliant.	
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	• VSAC is already compliant.	
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**		

5065.00	The servicer shall capitalize all outstanding, unpaid interest (excluding neg am* and non-capping) at the end of a capping deferment or forbearance period. *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.	• Modify functionality to cap all outstanding interest – excluding Neg Am and Non-capping – at end of deferment or forbearance. • Modify interest accruals to track at what point in time gap interest accrued between back to back periods so it can be included in the proper capping event.	Nelnet as our System provider will do the work; hours included in Nelnet's ROM
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	• VSAC is already compliant.	
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	• VSAC is already compliant.	
5066.01	This requirement overrides any other capitalization requirement.	• VSAC is already compliant.	
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	• VSAC is already compliant.	
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	• VSAC is already compliant.	

5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	• VSAC is already compliant.	
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	• Will modify for an automated solution to recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.	Nelnet as our System provider will do the work; hours included in Nelnet's ROM
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**	• VSAC is already compliant.	
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.	• VSAC is already compliant.	
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).	• VSAC is already compliant.	
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.	• VSAC is already compliant.	
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.	• VSAC is already compliant.	

5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.	• VSAC is already compliant.	
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.	• VSAC is already compliant.	
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	• VSAC is already compliant.	
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	• VSAC is already compliant.	
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.	• VSAC is already compliant.	
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**	• VSAC is already compliant.	

5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	• VSAC is already compliant.	
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	• VSAC is already compliant.	
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	• Will modify the system to isolate non-capping interest.	Nelnet as our System provider will do the work; hours included in Nelnet's ROM
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**	• See 5070.00	
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**	• Will modify the system to always satisfy interest in the order prescribed by requirement 5072.01.	
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping	• See 5070.00	
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances	• See 5070.00	

Risks:

- *Programming is not completed or does not pass tests in time for implementation.*

Assumptions:

- Programming solutions will be tested and completed by our System provider to ensure that VSAC is compliant with requirements set forth by this CR.
- The solution will be implemented on a go-forward basis. Accounts that have retroactive activity processed on them will be processed using the new rules.
- Artifact scenarios will be provided in time for creation during testing.
- Neg Am max limits are tracked separately for the PAYE repayment plan.
- Neg Am caps are not posted during periods of PFH.
- Interest accruing during 'gap' between back to back periods will always cap at the next capping event.
- interest accruing during a Neg Am period remains categorized as Neg Am if a borrower enters another repayment plan (including periods of PFH)

ROM:
(Hours/LOE ONLY. DO NOT include any cost information.)

Training:

FAST Analyst II – 2
FAST Analyst III – 3
Senior FAST Analyst – 18
FAST Coordinator – 3
Repayment Options Supervisor - 1
Transfer Supervisor – 1
Payment Options Processing Supervisor – 1
Enrollment Supervisor – 1

Update procedures/processes:

Senior FAST Analyst – 6
Repayment Options Supervisor – 2
CR Coordinator – 2

General administration and oversight:

Repayment Options Supervisor – 30
Senior FAST Analyst – 30
Project Management Officer II – 10

Artifact creation \ submission:

Senior FAST Analyst - 2
Project Management Officer II - 3

[115 hours total]

Proposed Delivery/Implementation Date:
(mm/dd/yyyy)

07/31/2015

Alternative Solution(s) Proposed: *(If Applicable)*	*None*

Servicer Contact:	Name: (b)(4); (b)(6)	Phone #: (b)(6)	Email: (b)(4); (b)(6)@vsac.org

Not-for Profit (NFP) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE	
Change Request (CR) #:	2785
CR Title:	1492 Requirement Clarification
Not-for-Profit:	ESA/Edfinancial
High Level Approach:	In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control. During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance. *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."* This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that: **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping*) at the end of a capping deferment or forbearance period.*** *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

Servicer Requirements:

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a **processing date** of **July 31** and **effective date** of **June 30**.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization processing date until the end of the deferment or forbearance, but the effective date should still be June 30.
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am* and non-capping) at the end of a capping deferment or forbearance period.**

	*Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**
5066.01	This requirement overrides any other capitalization requirement.
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**

5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**
5072.01	When payments are applied to interest amounts they shall pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

ESA/Edfinancial Solution Summary:

- 5023.00 - 5023.01 – Modify the system to:
  - No longer set the effective date of a delayed Neg Am cap to be one day after the deferment or forbearance end date; instead always backdate the Neg Am cap effective 6/30/xx.
  - Reduce the potential Neg Am cap amount with payments made between July 1 and the Neg Am cap processing date, instead of only payment made during the month July (Change is needed based on guidance given in the Job Aid, Example #2 and is not tied to a specific requirement)
  - Consider Neg Am interest as regular interest once a loan enters PFH.
- 5023.02 - Modify the system to reevaluate the 10% Neg Am max limit and potentially adjust existing Neg Am cap(s) when disbursement amounts are adjusted.
- 5023.03 – ESA/Edfinancial is already compliant
- 5023.04 – ESA/Edfinancial is already compliant
- Revised 5065.00 –
  - Modify functionality to cap all outstanding interest – excluding Neg Am and Non-capping – at end of deferment or forbearance.

- Modify interest accruals to track at what point in time gap interest accrued between back to back periods so it can be included in the proper capping event.

- 5065.01 – ESA/Edfinancial is already compliant
- 5066.00 – ESA/Edfinancial is already compliant
- 5066.01 – ESA/Edfinancial is already compliant
- 5066.02 – ESA/Edfinancial is already compliant
- 5066.03 – ESA/Edfinancial is already compliant
- 5066.04 – ESA/Edfinancial is already compliant
- 5067.00 – ESA/Edfinancial is already compliant with a manual solution. Our system provider will be implementing an automated solution to recalculate the borrower payment, redisclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.
- 5068.00 – ESA/Edfinancial is already compliant
- 5068.01 – ESA/Edfinancial is already compliant
- 5068.02 – ESA/Edfinancial is already compliant
- 5068.03 – ESA/Edfinancial is already compliant
- 5068.04 – ESA/Edfinancial is already compliant
- 5068.05 – ESA/Edfinancial is already compliant
- 5068.06 – ESA/Edfinancial is already compliant
- 5068.07 – ESA/Edfinancial is already compliant
- 5068.08 – ESA/Edfinancial is already compliant
- 5068.09 – ESA/Edfinancial is already compliant
- 5069.00 – ESA/Edfinancial is already compliant
- 18001.03 – ESA/Edfinancial is already compliant
- 5070.00 – Our system provider will modify the system to isolate non-capping interest.
- 5071.00 – See 5070.00
- 5072.00 – Our system provider will modify the system to always satisfy interest in the order prescribed by requirement 5072.01.
- 5072.01 – See 5072.00
- 5072.02 – See 5072.00

Risks:

No risks

Assumptions:

- The solution will be implemented on a go-forward basis. Accounts that have retroactive activity processed on them will be processed using the new rules.
- Artifact scenarios will be provided in time for creation during testing.
- 5023.02 Neg Am max limits are tracked separately for the PAYE repayment plan. *If the assumption is not correct it will cause a change to the solution.*

	• 5023.03 Neg Am caps are not posted during periods of PFH. *If the assumption is not correct it will cause a change to the solution.* • 5065.00 Interest accruing during 'gap' between back to back periods will always cap at the next capping event. *If the assumption is not correct it will cause a change to the solution.* • 5066.00 Interest accruing during a Neg Am period remains categorized as Neg Am if a borrower enters another repayment plan (including periods of PFH) *If the assumption is not correct it will cause a change to the solution.*
ROM: *(Hours/LOE ONLY. DO NOT include any cost information.)*	See Nelnet response for hosted servicing system ROM. ESA/Edfinancial Direct ROM: • 80 hours for artifact creation • 4 hours to review procedures and system documentation, and update if needed. Total: 84 hours
Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	7/31/2015
Alternative Solution(s) Proposed: *(If Applicable)*	

Servicer Contact:	Name:	Phone #:	Email:
	(b)(4); (b)(6) SVP Director Compliance & Risk	(b)(4); (b)(6)	@edfinancial.com

Title IV Additional Servicers (TIVAS) Impact Analysis

IMPACT ANALYSIS / ROUGH ORDER OF MAGNITUDE

Change Request (CR) #: CR2785

CR Title: Requirement Clarification for CR1492

TIVAS: ☒ Great Lakes ☐ Nelnet ☐ PHEAA ☐ Sallie Mae

High Level Approach:

New/Revised Requirements

Requirement 5065.00

No system changes required to support revised requirement 5065.0.

(0 hours)

Requirements 5070.00, 5070.01

Great Lakes will modify its system to allow interest that was unpaid prior to the non-capping forbearance begin date to capitalize at the end of the non-capping forbearance.

(8 hours)

Great Lakes will make system changes so that when capitalizing interest at the end of a non-capping forbearance, any interest that accrued during a repayment gap of less than 30 days with no payment due after the last true capping event (the end of a deferment or capping forbearance) and prior to the non-capping forbearance begin date will be excluded.

(184 hours)

Great Lakes will modify the set-up for the non-capping administrative forbearance used for loans that are less than 60 days delinquent at the time of a servicer transfer to never ever capitalize.

(8 hours)

Requirements 5072.00, 5072.01, 5072.02

No changes needed for these new Requirements, as the Great Lakes system currently pays down interest in the order of 1) NegAm 2) Regular 3) Non-Capping.

(0 hours)

Existing Capping Requirements

Requirement 5023.02

Great Lakes will modify its 10% NegAm capping limit to only be in effect while the loan is in a NegAm repayment plan and not for the lifetime of the loan.

(298 hours)

Great Lakes will modify its 10% NegAm capping limit to be combined for ICR and ALT repayment plans instead of allowing for separate 10% limits.

(40 hours)

Requirement 5023.03
Great Lakes will update its system processing to delay the NegAm cap processing until the end of the deferment / forbearance in cases where the borrower is in a deferment / forbearance on 7/31 but not on the cap effective date of 6/30.

(65 hours)

Great Lakes will update its system processing to apply the NegAm cap with an effective date of 6/30 even if a deferment / forbearance covers the 6/30 date and the cap is not processed until the end of the deferment / forbearance.

(73 hours)

Requirement 5066.00
Great Lakes will update its system processing to delay the NegAm cap processing until the borrower leaves PFH in cases where the borrower is in PFH on 7/31 but not on the cap effective date of 6/30.

(65 hours)

Great Lakes will update its system processing to apply the NegAm cap with an effective date of 6/30 even if the borrower is in PFH on 6/30 and the cap is not processed until the borrower leaves PFH.

(65 hours)

Requirement 5069.00
Great Lakes will update its deferment / forbearance processing to not allow interest capitalization when a period of repayment occurs between deferment or forbearance periods but no payment is due.

(250 hours)

Support for creation of validation artifacts
Great Lakes will provide validation artifacts for 20 scenarios, executed in a test mode in addition to providing a Live Walkthrough.

(80 hours)

Risks:	None
Assumptions:	None
ROM: *(Hours/LOE ONLY. DO NOT include any cost information.)*	1,196 hours
Proposed Delivery/Implementation Date: *(mm/dd/yyyy)*	09/01/2015: Validation Artifacts 09/30/2015: Implementation Date

Alternative Solution(s) Proposed: *(If Applicable)*	None

Servicer Contact:	Name:	Phone #:	Email:
	(b)(4); (b)(6)		@glhec.org

From: Bubel, Susan
Sent: 5 Mar 2015 08:31:35 -0600
To: Jackson, Lateata;Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015

Just wondering if their remaining servicers have submitted their assessments yet?
Thanks,
Sue

From: Jackson, Lateata
Sent: Friday, February 27, 2015 9:58 AM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015

Attached are the 5 assessments we received thus far. We are still waiting for PHEAA, EdFinancial, Aspire, CornerStone, OSLA and MOHELA

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: 9 Mar 2015 11:26:53 -0500
To: Jackson, Lateata;Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015

I am free

- Today 3-????
- Tomorrow before 10:30 then 11-3 then 4-??
- Wednesday before 1 or after 4
- Thursday and Friday anytime, the meetings I have are optional.

Thanks,
Sue

From: Jackson, Lateata
Sent: Monday, March 09, 2015 12:23 PM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015

Attached are all 11 assessments from all 11 Federal Servicers. Please let me know when you would like to have an assessment review to go over them to recommend approval or reject assessments?

From: Jackson, Lateata
Sent: Friday, February 27, 2015 9:58 AM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 02/17/2015

Attached are the 5 assessments we received thus far. We are still waiting for PHEAA, EdFinancial, Aspire, CornerStone, OSLA and MOHELA

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: 28 Apr 2016 14:57:50 +0000
To: Jackson, Lateata; @glhec.org; @glhec; PHEAACRs (PHEAACRs@pheaa.org); @navient.com; @Navient.com; EdFinancial CM Email; CornerStone CM Box; OSLA CM Email; Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; Leavitt, Katharine;
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point
Attachments: Updated Capitalization Requirements _Feb 2016_Workbook V01.05.xlsx

Here is the updated Q&A log.

Thanks,

Sue

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An OFFICE of the U.S. DEPARTMENT of EDUCATION
Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

-----Original Appointment-----
From: Jackson, Lateata
Sent: Thursday, February 18, 2016 2:10 PM
To: Jackson, Lateata; @glhec.org; @glhec; PHEAACRs (PHEAACRs@pheaa.org); @navient.com; @Navient.com; EdFinancial CM Email; CornerStone CM Box; OSLA CM Email; Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; Leavitt, Katharine;
Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point
When: Thursday, May 05, 2016 1:00 PM-2:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference Call - participants

As we move closer to the implementation deadline for CR 2785 FSA wanted to provide a forum to ensure we are all on the same pages regarding our capitalization rules. The format of this meeting will be similar to the REPAY Touch Point meetings for those of you who are familiar with those. They will be held every 2 weeks as long as we have discussion items to cover. If we do not have discussion items by 11am the day of the meeting, then we will cancel that day's meeting.

FSA intends to have a capitalization questions email box set up so that you can send your questions and other CR 2785 related materials to FSA via that email box up to implementation. We will notify everyone when that email box is ready for use.

At the point of implementation/production, the working product will be turned over to the FSA Operations Team for monitoring.

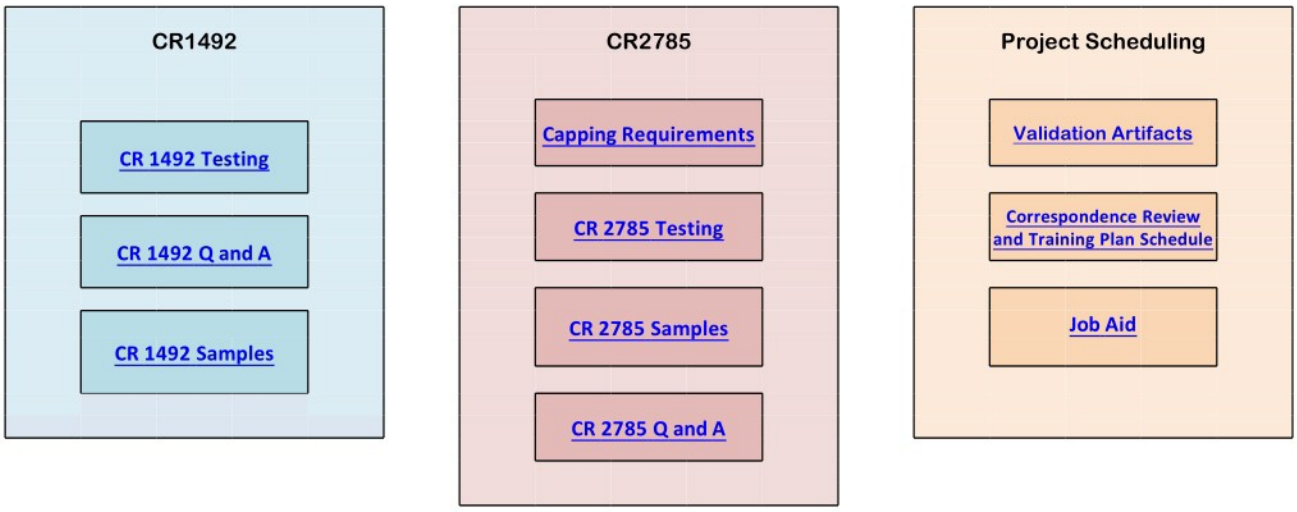
Further, FSA will provide an updated workbook with all things CR 2785 related for you to review and share as needed.

Please feel free to invite others as needed to this meeting.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.09.16	V1.01	
03.10.16	V1.02	
03.21.16	V1.03	
04.06.16	V1.04	
04.07.16	V1.05	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

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Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

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8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

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(b)(5)

(b)(5)

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Example #1 **Neg Am Capping**

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

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11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		

			(b)(5)
14	Great Lakes	5066.01	
15	Nelnet	5072	
16	Great Lakes	5072.01	
17	Navient	General	
18	Navient	General	
19	PHEAA	Job Aid Example 8	
20	Great Lakes	Job Aid P20	
21	Aspire		
22	Nelnet	5065 (Job Aid Example 5)	
23	Aspire	General	
24	PHEAA	Implementation Plan	
25	Aspire	General	
26	Aspire	General	

27	Nelnet	Job Aid Example 4	(b)(5)
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	
33	Aspire	5065	
34	Nelnet	5023.04 (Job Aid 1)	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		

			(b)(5)
40	Navient	5065	
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	
48	Navient	Job Aid Example 1	
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	

53	PHEAA	5023	(b)(5)
54	PHEAA	5023	
55	PHEAA	5023	
56	CornerStone	5023	
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	
62	Nelnet	Q & A 56	
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		

66	Nelnet		(b)(5)
67	PHEAA		
68	PHEAA		
69	PHEAA		
70	Navient		
71	Navient		
72	Navient		

73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	(b)(5)
74	Nelnet	5069 5066.02	
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	

82	Navient	EA27 Change	(b)(5)
83	PHEAA		
84	Great Lakes		
85	Navient		

86	Nelnet		(b)(5)
87	Nelnet		
88	nelnet		

89	Navient		(b)(5)
90	Great Lakes		

HOME

Capitalization Job Aid_031716

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Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

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From: Bubel, Susan
Sent: 7 Apr 2016 16:55:10 +0000
To: Jackson, Lateata (b)(4); (b)(6)@glhec.org; (b)(4); (b)(6)@glhec; (b)(4); (b)(6) (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org) (b)(4); (b)(6) (b)(4); (b)(6)@navient.com; (b)(4); (b)(6)@Navient.com; (b)(4); (b)(6) EdFinancial CM Email (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6) (b)(4); (b)(6) OSLA CM Email; (b)(4); (b)(6) Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Gibson, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen;Leavitt, Katharine; (b)(4); (b)(6)
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point
Attachments: Updated Capitalization Requirements _Feb 2016_Workbook V01.04.xlsx

Sorry that was REPAYE.. preview for next week… ☺ here is the correct Capping attachment..

From: Bubel, Susan
Sent: Thursday, April 07, 2016 12:48 PM
To: Jackson, Lateata; (b)(4); (b)(6)@glhec.org; (b)(4); (b)(6)@glhec; (b)(4); (b)(6) (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) (b)(4); (b)(6)@navient.com; (b)(4); (b)(6)@Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; Leavitt, Katharine; (b)(4); (b)(6)
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point

Good afternoon,

We are cancelling this afternoon's meeting. I apologize for the short notice. I have attached the updated Q&A log with the questions received so far. We will reschedule later next week after we here at FSA regroup to work through a couple of items regarding this CR.

Thanks for your understanding,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

<< OLE Object: Picture (Device Independent Bitmap) >>

<< File: REPAYE Phase 2_04062016.VP2.1.8.xlsx >>

-----Original Appointment-----
From: Jackson, Lateata
Sent: Thursday, February 18, 2016 2:10 PM
To: Jackson, Lateata; [redacted]@glhec.org; [redacted]@glhec; [redacted]; PHEAACRs (PHEAACRs@pheaa.org); [redacted]@navient.com; [redacted]@Navient.com; [redacted]; EdFinancial CM Email; [redacted]; CornerStone CM Box; [redacted]; OSLA CM Email; [redacted]; Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; Leavitt, Katharine; [redacted]
Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point
When: Thursday, April 07, 2016 1:00 PM-2:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference Call [redacted] participants [redacted]

As we move closer to the implementation deadline for CR 2785 FSA wanted to provide a forum to ensure we are all on the same pages regarding our capitalization rules. The format of this meeting will be similar to the REPAY Touch Point meetings for those of you who are familiar with those. They will be held every 2 weeks as long as we have discussion items to cover. If we do not have discussion items by 11am the day of the meeting, then we will cancel that day's meeting.

FSA intends to have a capitalization questions email box set up so that you can send your questions and other CR 2785 related materials to FSA via that email box up to implementation. We will notify everyone when that email box is ready for use.

At the point of implementation/production, the working product will be turned over to the FSA Operations Team for monitoring.

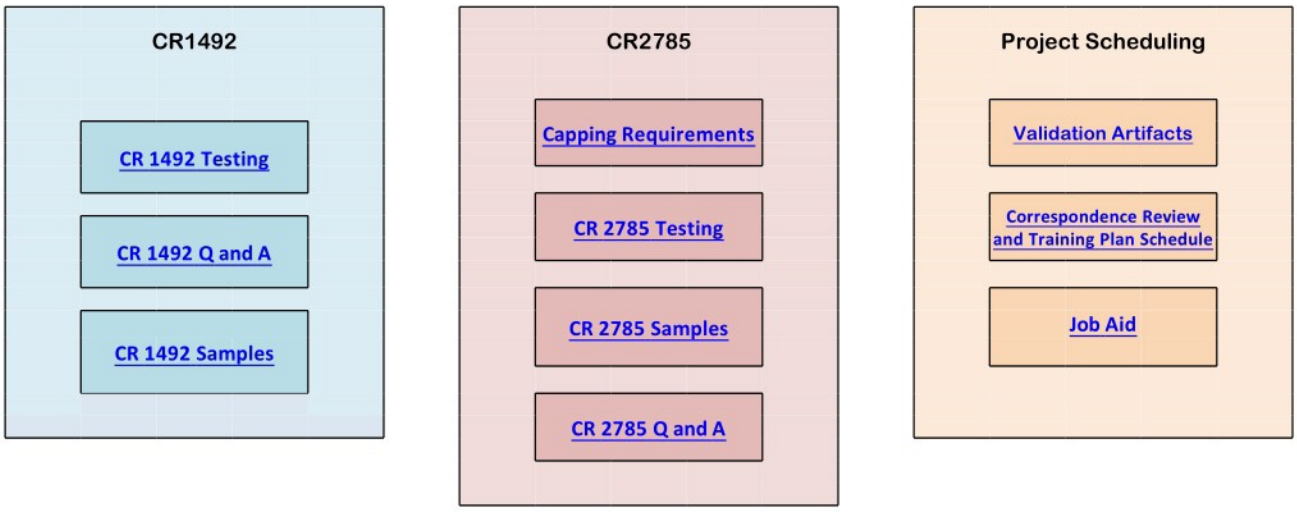
Further, FSA will provide an updated workbook with all things CR 2785 related for you to review and share as needed.

Please feel free to invite others as needed to this meeting.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.09.16	V1.01	
03.10.16	V1.02	
03.21.16	V1.03	
04.06.16	V1.04	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

HOME

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

HOME

HOME

(b)(5)

(b)(5)

Example #1 **Neg Am Capping**

HOME

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

HOME

11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		

			(b)(5)
14	Great Lakes	5066.01	
15	Nelnet	5072	
16	Great Lakes	5072.01	
17	Navient	General	
18	Navient	General	
19	PHEAA	Job Aid Example 8	
20	Great Lakes	Job Aid P20	
21	Aspire		
22	Nelnet	5065 (Job Aid Example 5)	
23	Aspire	General	
24	PHEAA	Implementation Plan	
25	Aspire	General	
26	Aspire	General	

27	Nelnet	Job Aid Example 4	(b)(5)
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	
33	Aspire	5065	
34	Nelnet	5023.04 (Job Aid 1)	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		

40	Navient	5065	(b)(5)
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	
48	Navient	Job Aid Example 1	
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	

53	PHEAA	5023	(b)(5)
54	PHEAA	5023	
55	PHEAA	5023	
56	CornerStone	5023	
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	
62	Nelnet	Q & A 56	
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		

66	Nelnet		(b)(5)
67	PHEAA		
68	PHEAA		
69	PHEAA		
70	Navient		
71	Navient		
72	Navient		

73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	(b)(5)
74	Nelnet	5069 5066.02	
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	

82	Navient	EA27 Change	(b)(5)
83	PHEAA		
84	Great Lakes		
85	Navient		

86	Nelnet		(b)(5)
87	Nelnet		
88	nelnet		
89	Navient		

90	Great Lakes HOME		(b)(5)

Capitalization Job Aid_031716

HOME

HOME

Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

HOME

From: Bubel, Susan
Sent: 7 Apr 2016 16:48:29 +0000
To: Jackson, Lateata;[redacted]@glhec.org;[redacted]@glhec;[redacted]PHEAACRs (PHEAACRs@pheaa.org);[redacted]@navient.com;[redacted]@Navient.com;[redacted]EdFinancial CM Email;[redacted]CornerStone CM Box;[redacted]OSLA CM Email[redacted]Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Gibson, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen;Leavitt, Katharine;[redacted]
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point
Attachments: REPAYE Phase 2_04062016.VP2.1.8.xlsx

Good afternoon,

We are cancelling this afternoon's meeting. I apologize for the short notice. I have attached the updated Q&A log with the questions received so far. We will reschedule later next week after we here at FSA regroup to work through a couple of items regarding this CR.

Thanks for your understanding,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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-----Original Appointment-----
From: Jackson, Lateata
Sent: Thursday, February 18, 2016 2:10 PM
To: Jackson, Lateata;[redacted]@glhec.org;[redacted]@glhec;[redacted]PHEAACRs (PHEAACRs@pheaa.org);[redacted]@navient.com;[redacted]@Navient.com;[redacted]EdFinancial CM Email;[redacted]CornerStone CM Box;[redacted]OSLA CM Email[redacted]Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; Leavitt, Katharine;[redacted]
[redacted]

Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point
When: Thursday, April 07, 2016 1:00 PM-2:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference Call - (b)(6) participants (b)(6)

As we move closer to the implementation deadline for CR 2785 FSA wanted to provide a forum to ensure we are all on the same pages regarding our capitalization rules. The format of this meeting will be similar to the REPAY Touch Point meetings for those of you who are familiar with those. They will be held every 2 weeks as long as we have discussion items to cover. If we do not have discussion items by 11am the day of the meeting, then we will cancel that day's meeting.

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NON-DISCLOSURE STATEMENT AND RULES OF CONDUCT

All staff representatives of each impacted system / organization are reminded of the rules of conduct and terms and conditions as outlined in Non-Disclosure Agreements when being granted access to certain United States Government documents or material containing sensitive but unclassified information, including proprietary data, interpretations and/or derivatives of such data provided by the Federal Student Aid (FSA) Contracting Office and/or entities other than the contracting parties.

Information for this change includes sensitive information and other proprietary data such as, documents, memoranda, reports, deliberations, and draft regulations provided through Federal Student Aid Contracting Office. Staff representatives are being granted access to this sensitive but unclassified information (SUI) only as a courtesy by FSA for the purposes of awareness and proposal submissions for the timely implementation of the Revised Pay As You Earn Repayment Plan (REPAYE).

Version Control

Date:	Version	Description
01.14.16	VP2.1.0	(b)(5)
01.15.16	VP2.1.1	
01.21.16	VP2.1.2	
02.04.15	VP2.1.3	
02.11.16	VP2.1.4	
02.23.16	VP2.1.5	
03.03.16	VP2.1.6	
03.03.16	VP2.1.7	
	VP2.1.8	

#	Topic	Sub Topic	Servicer	Priority	Requirement #	Question	Notes	Status
1			Nelnet	(b)(5)		(b)(5)		
2			Nelnet					
3			Granite State					
4			MOHELA					
5			Nelnet					
6			VSAC					
7			Navient		Catch up Calculation /			
8			Navient		Catch up Calculation /I			
9			Nelnet		Alignment			
10			Great Lakes		Catch up process			
11			Great Lakes		Catch up process			
12			Great Lakes		Catch up process			

13			Great Lakes		Catch up process	(b)(5)
14			Great Lakes		Catch up process	
15			Great Lakes		Catch up process	
16			Great Lakes		Catch up process	
17			Great Lakes		Catch up - FMS	
18			Great Lakes		Catch up - NSLDS reporting	
19			Great Lakes		Catch up - payment application	
20			Great Lakes		IDR application - MFJ processing	
21			Great Lakes		IDR Form - Spanish	
22			Navient		Catch up - payment application	
23			Great Lakes			

24			Great Lakes			(b)(5)
25			Ed Financial			
26			Granite State			
27			Great Lakes			
28			Nelnet			
29			Nelnet			
30			Nelnet			
31			PHEAA			
32			PHEAA			
33			Granite State			
34			Granite State			
35			Granite State			
36			Great Lakes			
37			Great Lakes			
38			Great Lakes			

39			Navient		
40			Nelnet		
41			Nelnet		
42			Nelnet		
43			Navient		
44			Navient		
45			Navient		
46			Navient		

(b)(5)

Page 1456

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 1457

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 1458

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Page 1459

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Page 1460

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(b)(5)

of the Freedom of Information and Privacy Act

Page 1461

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(b)(5)

of the Freedom of Information and Privacy Act

Page 1462

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(b)(5)

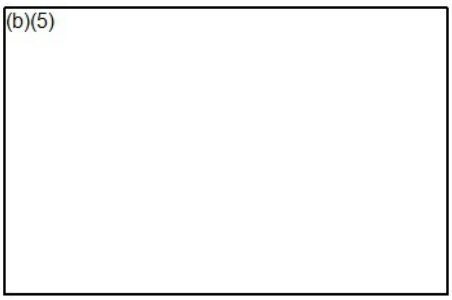
of the Freedom of Information and Privacy Act

Page 1463

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(b)(5)

of the Freedom of Information and Privacy Act


(b)(5)

From: Bubel, Susan
Sent: 21 Mar 2016 16:39:14 +0000
To: Jackson, Lateata; @glhec.org; @glhec; @Navient.com; PHEAACRs (PHEAACRs@pheaa.org); @navient.com; EdFinancial CM Email; CornerStone CM Box; OSLA CM Email; Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen;
Cc: Leavitt, Katharine;
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point
Attachments: Updated Capitalization Requirements _Feb 2016_Workbook V01.03.xlsx

Here is the updated workbook for this afternoon's meeting, talk to you all in a bit.

Thanks,

Sue

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Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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Sent: Thursday, February 18, 2016 2:10 PM
To: Jackson, Lateata; @glhec.org; @glhec; @Navient.com; Ed Pottgeiser; PHEAACRs (PHEAACRs@pheaa.org); @navient.com; EdFinancial CM Email; CornerStone CM Box; OSLA CM Email ; Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen;

Cc: Leavitt, Katharine; (b)(4); (b)(6)
(b)(4); (b)(6)

Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point
When: Monday, March 21, 2016 1:00 PM-2:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference Call - (b)(6) participants (b)(6)

FSA is rescheduling this 1 meeting in the series to accommodate CR 3245 Validation Walkthroughs. This is a 1 time change.

As we move closer to the implementation deadline for CR 2785 FSA wanted to provide a forum to ensure we are all on the same pages regarding our capitalization rules. The format of this meeting will be similar to the REPAY Touch Point meetings for those of you who are familiar with those. They will be held every 2 weeks as long as we have discussion items to cover. If we do not have discussion items by 11am the day of the meeting, then we will cancel that day's meeting.

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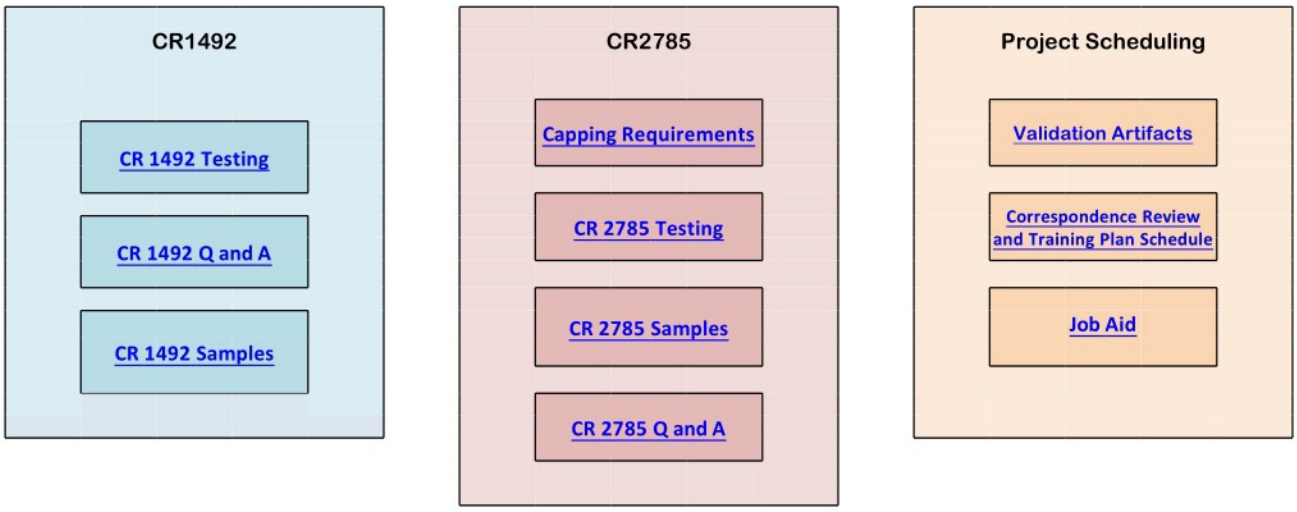
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02.08.16	V1.0	(b)(5)
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03.10.16	V1.02	
03.21.16	V1.03	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

HOME

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
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17					
18					
19					
20					

HOME

(b)(5)

(b)(5)

HOME

Example #1 **Neg Am Capping**

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

HOME

11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		

			(b)(5)
14	Great Lakes	5066.01	
15	Nelnet	5072	
16	Great Lakes	5072.01	
17	Navient	General	
18	Navient	General	
19	PHEAA	Job Aid Example 8	
20	Great Lakes	Job Aid P20	
21	Aspire		
22	Nelnet	5065 (Job Aid Example 5)	
23	Aspire	General	
24	PHEAA	Implementation Plan	
25	Aspire	General	
26	Aspire	General	

			(b)(5)
27	Nelnet	Job Aid Example 4	
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	
33	Aspire	5065	
34	Nelnet	5023.04 (Job Aid 1)	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		

			(b)(5)
40	Navient	5065	
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	
48	Navient	Job Aid Example 1	
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	

53	PHEAA	5023	(b)(5)
54	PHEAA	5023	
55	PHEAA	5023	
56	CornerStone	5023	
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	
62	Nelnet	Q & A 56	
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		

66	Nelnet		(b)(5)
67	PHEAA		
68	PHEAA		
69	PHEAA		
70	Navient		
71	Navient		
72	Navient		

73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	(b)(5)
74	Nelnet	5069 5066.02	
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	

EA27 Change

(b)(5)

Navient

82

PHEAA

83

Great Lakes

84

Navient

85

HOME

Capitalization Job Aid_031716

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Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

HOME

From: Bubel, Susan
Sent: 10 Mar 2016 16:20:00 +0000
To: Jackson, Lateata;[redacted]@glhec.org;[redacted]@glhec;[redacted]PHEAACRs (PHEAACRs@pheaa.org);[redacted]@navient.com;[redacted]@Navient.com;[redacted]EdFinancial CM Email;[redacted]CornerStone CM Box;[redacted]OSLA CM Email;[redacted]Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Gibson, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen;Leavitt, Katharine
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point
Attachments: Updated Capitalization Requirements _Feb 2016_Workbook V01.01.xlsx

Here is the updated workbook for today.

Talk to you all in a bit.

Thanks,

Sue

Federal Student Aid | PROUD SPONSOR of the AMERICAN MIND™
An OFFICE of the U.S. DEPARTMENT of EDUCATION
Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

-----Original Appointment-----
From: Jackson, Lateata
Sent: Thursday, February 18, 2016 2:10 PM
To: Jackson, Lateata;[redacted]@glhec.org;[redacted]@glhec;[redacted]PHEAACRs (PHEAACRs@pheaa.org);[redacted]@navient.com;[redacted]@Navient.com;[redacted]EdFinancial CM Email;[redacted]CornerStone CM Box;[redacted]OSLA CM Email ;[redacted]Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; Leavitt, Katharine
Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point
When: Thursday, March 10, 2016 1:00 PM-2:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference Call -[redacted] participants[redacted]

As we move closer to the implementation deadline for CR 2785 FSA wanted to provide a forum to ensure we are all on the same pages regarding our capitalization rules. The format of this meeting will be similar to the REPAY Touch Point meetings for those of you who are familiar with those. They will be held every 2 weeks as long as we have discussion items to cover. If we do not have discussion items by 11am the day of the meeting, then we will cancel that day's meeting.

FSA intends to have a capitalization questions email box set up so that you can send your questions and other CR 2785 related materials to FSA via that email box up to implementation. We will notify everyone when that email box is ready for use.

At the point of implementation/production, the working product will be turned over to the FSA Operations Team for monitoring.

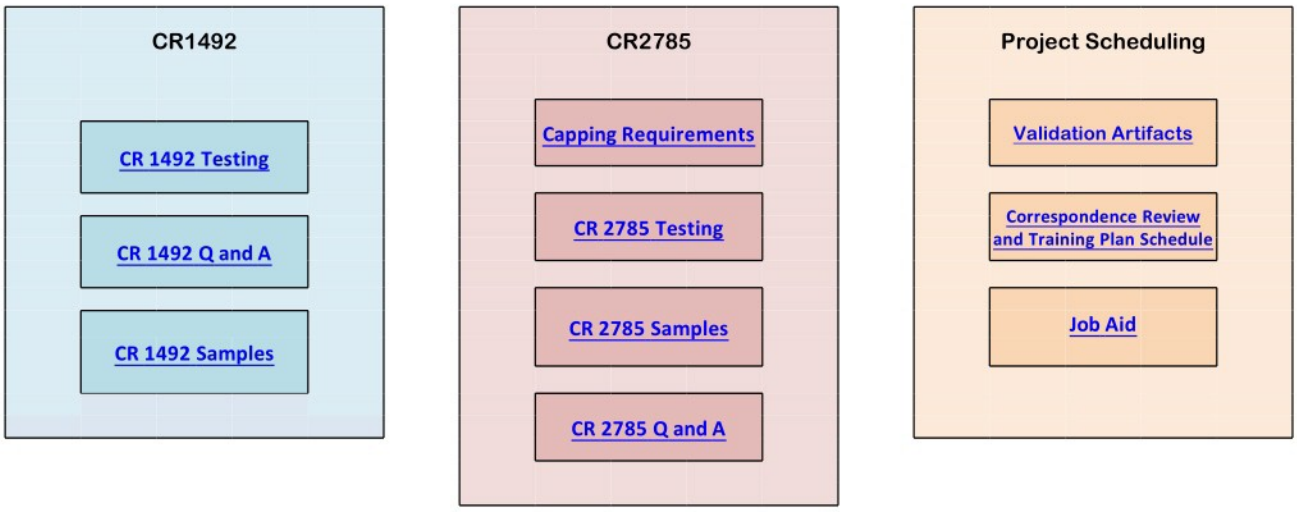
Further, FSA will provide an updated workbook with all things CR 2785 related for you to review and share as needed.

Please feel free to invite others as needed to this meeting.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.10.16	V1.01	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

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8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

HOME

HOME

(b)(5)

(b)(5)

HOME

Example #1 **Neg Am Capping**

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

HOME

11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		
14	Great Lakes	5066.01		
15	Nelnet	5072		
16	Great Lakes	5072.01		
17	Navient	General		
18	Navient	General		
19	PHEAA	Job Aid Example 8		
20	Great Lakes	Job Aid P20		
21	Aspire			
22	Nelnet	5065 (Job Aid Example 5)		
23	Aspire	General		
24	PHEAA	Implementation Plan		

			(b)(5)
25	Aspire	General	
26	Aspire	General	
27	Nelnet	Job Aid Example 4	
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	
33	Aspire	5065	
34	Nelnet	5023.04 (Job Aid 1)	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		
40	Navient	5065	
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	

48	Navient	Job Aid Example 1	(b)(5)
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	
53	PHEAA	5023	
54	PHEAA	5023	
55	PHEAA	5023	
56	CornerStone	5023	
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	

60	Nelnet	Job Aid Example 4	(b)(5)
61	Nelnet	Q & A 43	
62	Nelnet	Q & A 56	
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		
66	Nelnet		
67	PHEAA		
68	PHEAA		
69	PHEAA		
70	Navient		
71	Navient		
72	Navient		

73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	(b)(5)
74	Nelnet	5069 5066.02	
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	
82	Navient	EA27 Change Proposal	

HOME

Capitalization Job Aid_022315

HOME

HOME

Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

HOME

From: (b)(4); (b)(6)
Sent: 25 Feb 2016 19:30:37 +0000
To: Jackson, Lateata; @glhec.org; @glhec; (b)(4); (b)(6); (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6); (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6); EdFinancial CM Email; (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6) OSLA CM Email; (b)(4); (b)(6) Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Bubel, Susan;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Mahon, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Tessitore, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point

All,
If you would like to be included in the discussion regarding how we will support the transfer of non-capping interest and values please send your name and email to me at: Kathleen.startzel@navient.com.
I'd like to have the POC's by Wednesday of next week, so that I can get a call together for the week of 3/7/16.
Thank you,
Kathleen

-----Original Appointment-----
From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, February 18, 2016 2:10 PM
To: Jackson, Lateata; @glhec.org; @glhec; (b)(4); (b)(6); (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6); (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6); (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen
Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point
When: Thursday, February 25, 2016 1:00 PM-2:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference Call (b)(6) participants (b)(6)

As we move closer to the implementation deadline for CR 2785 FSA wanted to provide a forum to ensure we are all on the same pages regarding our capitalization rules. The format of this meeting will be similar to the REPAY Touch Point meetings for those of you who are familiar with those. They will be held every 2 weeks as long as we have discussion items to cover. If we do not have discussion items by 11am the day of the meeting, then we will cancel that day's meeting.
FSA intends to have a capitalization questions email box set up so that you can send your questions and other CR 2785 related materials to FSA via that email box up to implementation. We will notify everyone when that email box is ready for use.

At the point of implementation/production, the working product will be turned over to the FSA Operations Team for monitoring.
Further, FSA will provide an updated workbook with all things CR 2785 related for you to review and share as needed.
Please feel free to invite others as needed to this meeting.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

This E-Mail has been scanned for viruses.

From: Jackson, Lateata
Sent: 25 Feb 2016 17:59:23 +0000
To:
@glhec.org; @glhec; ;PHEAACRs (PHEAACRs@pheaa.org); @navient.com; @Navient.com; EdFinancial CM Email; CornerStone CM Box; OSLA CM Email; Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Bubel, Susan;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Gibson, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Oldre, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen;
Cc:

Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point
Attachments: Capitalization Job Aid_022516.docx, CR 2785 Capping Meeting Agenda 022516.docx, Updated Capitalization Requirements _Feb 2016.xlsx

Updated meeting Materials for today's meeting

-----Original Appointment-----
From: Jackson, Lateata
Sent: Thursday, February 18, 2016 2:02 PM
To: Jackson, Lateata; @glhec.org; @glhec; PHEAACRs (PHEAACRs@pheaa.org); @navient.com; @Navient.com; EdFinancial CM Email; CornerStone CM Box; OSLA CM Email ; Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen;
Cc:

Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point
When: Occurs every 2 weeks on Thursday effective 2/25/2016 until 6/30/2016 from 1:00 PM to 2:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference Call - participants

As we move closer to the implementation deadline for CR 2785 FSA wanted to provide a forum to ensure we are all on the same pages regarding our capitalization rules. The format of this meeting will be similar to the REPAY Touch Point meetings for those of you who are familiar with those. They will be held every

2 weeks as long as we have discussion items to cover. If we do not have discussion items by 11am the day of the meeting, then we will cancel that day's meeting.

FSA intends to have a capitalization questions email box set up so that you can send your questions and other CR 2785 related materials to FSA via that email box up to implementation. We will notify everyone when that email box is ready for use.

At the point of implementation/production, the working product will be turned over to the FSA Operations Team for monitoring.

Further, FSA will provide an updated workbook with all things CR 2785 related for you to review and share as needed.

Please feel free to invite others as needed to this meeting.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Department of Education
Federal Student Aid

Capitalization

Job Aid

2/25/2016

U.S. Department of Education

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Federal Student Aid

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of the Freedom of Information and Privacy Act

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of the Freedom of Information and Privacy Act

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(b)(5)

of the Freedom of Information and Privacy Act

Page 1549

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

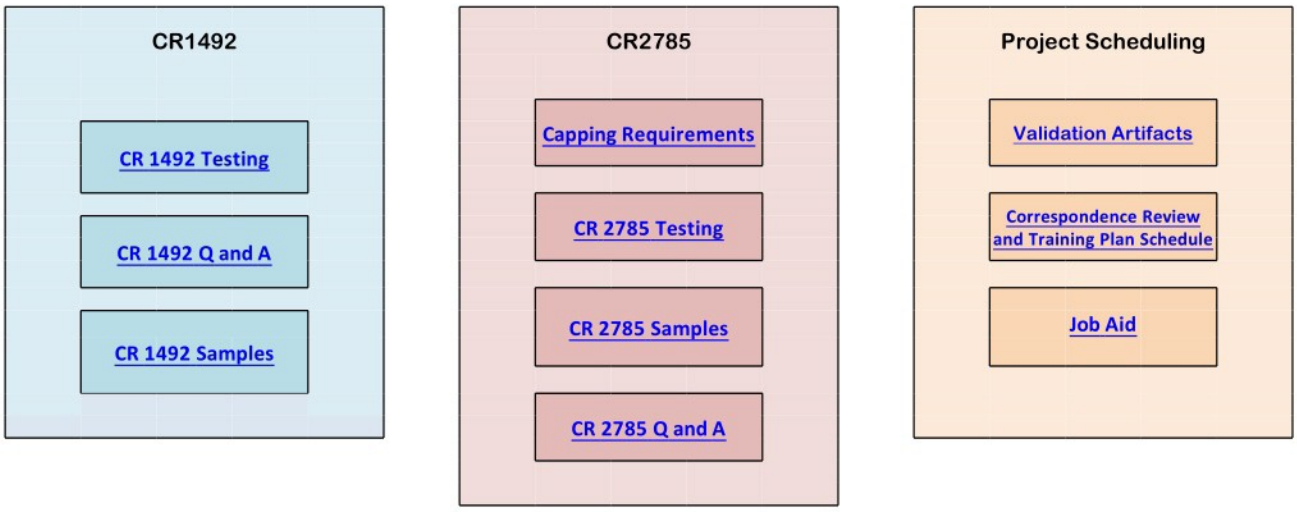
Page 1550

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

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Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

HOME

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068	(b)(5)
19	G/E followed by a forb	5068	
20	G/E followed by a defer and forb	5068	
21	G/E followed by a forb and defer	5068	
22	Forb followed by defer	5069	
23	Defer followed by forb	5069	
24	Defer followed by defer	5069	
25	Defer, payment, forb	5069	
26	Forb payment defer	5069	

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

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(b)(5)

(b)(5)

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Example #1 **Neg Am Capping**

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

HOME

11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Topic	Req.	Clarification Questions	FSA Response
1	MOHELA	60-day Non-Capping	Job Aid	(b)(5)	
2	Aspire	60-day Non-Capping	Job Aid		
3	Great Lakes	60-day Non-Capping	Job Aid P3		
4	Navient	60-day Non-Capping	Job Aid Example 3		
5	PHEAA	60-day Non-Capping	Job Aid Example 3		
6	Great Lakes	60-day Non-Capping	Job Aid P23 #9		
7	Great Lakes	Disaster Forb	General		
8	Aspire	Disaster Forb	Job Aid		
9	Nelnet	EA27 Changes	5023		
10	Nelnet	EA27 Changes	General		
11	Navient	EA27 Changes			
12	Nelnet	IDR Capping ?'s	5066		
13	Great Lakes	IDR Capping ?'s	5066.01		
14	Great Lakes	IDR Capping ?'s	5066.01		
15	Nelnet	IDR Capping ?'s	5072		
16	Great Lakes	IDR Capping ?'s	5072.01		
17	Navient	IDR Capping ?'s	General		

18	Navient	**IDR Capping ?'s**	General
19	PHEAA	**IDR Capping ?'s**	Job Aid Example 8
20	Great Lakes	**IDR Capping ?'s**	Job Aid P20
21	Aspire	**IDR Capping ?'s**	
22	Nelnet	**Implementation Approach**	5065 (Job Aid Example 5)
23	Aspire	**Implementation Approach**	General
24	PHEAA	**Implementation Approach**	Implementation Plan
25	Aspire	**Implementation Approach**	General
26	Aspire	**Implementation Approach**	General
27	Nelnet	**Int Accrual/ Cap $**	Job Aid Example 4
28	Navient	**Int Accrual/ Cap $**	Job Aid Example 5
29	Navient	**Int Accrual/ Cap $**	Job Aid Example 7
30	Great Lakes	**Int Accrual/ Cap $**	Job Aid P7
31	Nelnet	**Int Accrual/ Cap $**	Job Aid P7
32	PHEAA	**Int Accrual/ Cap $**	Job Aid Question #15
33	Aspire	**Int Accrual/ Cap $**	5065
34	Nelnet	**Int Accrual/ Cap $**	5023.04 (Job Aid 1)

(b)(5)

35	PHEAA	**Int Accrual/ Cap $**	
36	PHEAA	**Int Accrual/ Cap $**	
37	PHEAA	**Int Accrual/ Cap $**	
38	PHEAA	**Int Accrual/ Cap $**	
39	PHEAA	**Int Accrual/ Cap $**	
40	Navient	**Int Accrual/ Cap $**	5065
41	Navient	**Int Accrual/ Cap $**	
42	Navient	**Int Accrual/ Cap $**	
43	Nelnet	**Neg Am Capping processing -vs- effective date**	5023
44	Aspire	**Neg Am Capping processing -vs- effective date**	5023
45	Nelnet	**Neg Am Capping processing -vs- effective date**	5023.01
46	Navient	**Neg Am Capping processing -vs- effective date**	5023.01
47	Nelnet	**Neg Am Capping processing -vs- effective date**	5023.03
48	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 1
49	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 2
50	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 8
51	PHEAA	**Neg Am Capping processing -vs- effective date**	5023

(b)(5)

52	PHEAA	**Neg Am Capping processing -vs- effective date**	5023	(b)(5)
53	PHEAA	**Neg Am Capping processing -vs- effective date**	5023	
54	PHEAA	**Neg Am Capping processing -vs- effective date**	5023	
55	PHEAA	**Neg Am Capping processing -vs- effective date**	5023	
56	CornerStone	**Neg Am Capping processing -vs- effective date**	5023	
57	CornerStone	**Neg Am Capping processing -vs- effective date**	5023	
58	CornerStone	**Neg Am Capping processing -vs- effective date**	Job Aid Example 2	
59	Nelnet	**Additional Question After Clarification Meeting**	Job Aid Example 5	
60	Nelnet	**Additional Question After Clarification Meeting**	Job Aid Example 4	
61	Nelnet	**Additional Question After Clarification Meeting**	Q & A 43	
62	Nelnet	**Additional Question After Clarification Meeting**	Q & A 56	
63	Great Lakes	**Additional Question After Clarification Meeting**	Job Aid p. 19	
64	Great Lakes	**Additional Question After Clarification Meeting**	Job Aid p.10	

HOME

Capitalization Job Aid_022315

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(b)(4); (b)(6)

From: (b)(4); (b)(6)
Sent: 1 Mar 2016 14:56:11 +0000
To: Jackson, Lateata; @glhec; (b)(4); (b)(6)
(b)(4); (b)(6) ;'PHEAACRs (PHEAACRs@pheaa.org)'; (b)(4); (b)(6)
(b)(4); (b)(6) @navient.com'; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6)
'EdFinancial CM Email'; (b)(4); (b)(6)
'CornerStone CM Box'; (b)(4); (b)(6)
(b)(4); (b)(6) 'OSLA CM Email '; (b)(4); (b)(6) Aloisio, Julie;Barnes, Anthony;Battle, Cynthia;Bennett, Rich;Brown, Lenny;Bubel, Susan;Chialastri, Taneka;Connelly, Tammy;Foss, Ian;Mahon, Karen;Hardy, Eric;Hebrank, David;Meoli, Nicki;Myers-Wright, Helena;Tessitore, Lisa;Ratchford, Sabrina;Roberts, Sherika;Roca-Baker, Angela;Sipple-Asher, Bessie;Smith, Lynn;Solares, Noemi;Trejo, Rosa;Utz, Sarah;Walker, Lisa;Washington, Patrice;Wicks, Kathleen; (b)(4); (b)(6) '
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)

Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point - Mailbox Update

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

Lateata,
Can you confirm if the email box is actually DLCapitalization@ed.gov?
Thank you,

(b)(4); (b)(6) **Manager – Servicing Operations**
(b)(6) Mobile (b)(6) F: (b)(6) | (b)(4); @glhec.org
Great Lakes Educational Loan Services, Inc.

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Tuesday, March 01, 2016 6:11 AM
To: (b)(4); (b)(6)
PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) @navient.com; (b)(4); (b)(6)
(b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6)
(b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
(b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)

Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point - Mailbox Update

Note to All,
The mailbox DLCapitalization.ed.gov is now available for you to send questions etc. to FSA.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

The information contained in this communication may be confidential, is intended only for the use of the recipient(s) named above, and may be protected under state or federal law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication, or any of its contents, is strictly prohibited. If you have received this communication in error, please forward the communication to notme@glhec.org immediately and destroy or delete the original message and any copy of it from your computer system. If you have any questions concerning this message, please contact the sender.

From: Bubel, Susan
Sent: 5 May 2016 15:06:59 +0000
To: Jackson, Lateata
Cc: Battle, Cynthia;Foss, Ian;Chialastri, Taneka
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point

I have not responded to Navient's questions as we were not sure where they were and their questions are regarding their EA27 Proposal:

(b)(5)

-

(b)(5)

From: Jackson, Lateata
Sent: Thursday, May 05, 2016 10:56 AM
To: Bubel, Susan
Cc: Battle, Cynthia
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point

There are some in the box now. I told Navient that they could discuss some of their at our meeting tomorrow.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: Thursday, May 05, 2016 10:54 AM
To: Jackson, Lateata
Cc: Battle, Cynthia
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point

If we get questions, yes

From: Jackson, Lateata
Sent: Thursday, May 05, 2016 10:53 AM
To: Bubel, Susan
Cc: Battle, Cynthia
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point

Just checking but we will still update the Q&A log and send it out regularly right?

La Teata Jackson
Change Management Division

Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: Thursday, May 05, 2016 9:06 AM
To: Jackson, Lateata
Cc: Battle, Cynthia
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Touch Point

La Teata,

Can you cancel this series of meetings for now. We will meet with individual servicers if they have questions/ concerns on this CR. With the servicers all moving at different paces on different tracks it does not make sense to continue to meet as a group on this one.

Thanks,

Sue

(b)(4); (b)(6)

-----Original Appointment-----
From: Jackson, Lateata
Sent: Thursday, February 18, 2016 2:10 PM
To: Jackson, Lateata; ; @glhec; (b)(4); (b)(6) (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) @navient.com; (b)(4); (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6) (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) (b)(4); (b)(6) Aloisio, Julie; Barnes, Anthony; Battle, Cynthia; Bennett, Rich; Brown, Lenny; Bubel, Susan; Chialastri, Taneka; Connelly, Tammy; Foss, Ian; Gibson, Karen; Hardy, Eric; Hebrank, David; Meoli, Nicki; Myers-Wright, Helena; Oldre, Lisa; Ratchford, Sabrina; Roberts, Sherika; Roca-Baker, Angela; Sipple-Asher, Bessie; Smith, Lynn; Solares, Noemi; Trejo, Rosa; Utz, Sarah; Walker, Lisa; Washington, Patrice; Wicks, Kathleen; Leavitt, Katharine; (b)(4); (b)(6)
Subject: CR 2785 - Requirement Clarification for CR 1492 Touch Point
When: Thursday, May 05, 2016 1:00 PM-2:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference Call - (b)(6) participants (b)(6)

As we move closer to the implementation deadline for CR 2785 FSA wanted to provide a forum to ensure we are all on the same pages regarding our capitalization rules. The format of this meeting will be similar to the REPAY Touch Point meetings for those of you who are familiar with those. They will be held every 2 weeks as long as we have discussion items to cover. If we do not have discussion items by 11am the day of the meeting, then we will cancel that day's meeting.

FSA intends to have a capitalization questions email box set up so that you can send your questions and other CR 2785 related materials to FSA via that email box up to implementation. We will notify everyone when that email box is ready for use.

At the point of implementation/production, the working product will be turned over to the FSA Operations Team for monitoring.

Further, FSA will provide an updated workbook with all things CR 2785 related for you to review and share as needed.

Please feel free to invite others as needed to this meeting.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Meadows, Kim
Sent: 27 Oct 2014 14:36:08 -0500
To: Jackson, Lateata;Battle, Cynthia;Foss, Ian
Cc: Oldre, Lisa;Kim, Bora;Leavitt, Katharine
Subject: RE: CR 2785 - Requirements Clarifications for Interest Capitalization Practices

All,

(b)(5)

Kim Meadows
Federal Student Aid, Internal Controls Division
U.S. Department of Education
830 First St. NE Washington DC 20202
(202)377-3058
kim.meadows@ed.gov
www.FederalStudentAid.gov
Start Here. Go Further

From: Jackson, Lateata
Sent: Monday, October 27, 2014 10:59 AM
To: Battle, Cynthia; Foss, Ian
Cc: Oldre, Lisa; Strudgeon, George; Kim, Bora; Leavitt, Katharine; Meadows, Kim
Subject: CR 2785 - Requirements Clarifications for Interest Capitalization Practices

Below are the Nelnet scenarios we requested and additional questions from PHEAA. Please tell me if you would like me to set-up a meeting to draft the responses or if you would like to simply respond via email.

Nelnet scenarios as requested by FSA:

<< File: CR2785 Questions.docx >>

PHEAA Scenarios received:

For FSA CR 2785, our business analyst is requesting clarification on the requirements/scenarios listed below. Please let me know if you need additional information.

Requirement 5068.02 states 'When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11)

Requirement 5069.00 states 'The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back to back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.

Scenarios

- Unsubsidized loan
- All deferments and forbearances are capping except where it is called out.
- Each scenario we would cap all non-negam outstanding interest
- PHEAA's recommendation is listed in bold
-

For each scenario, What effective date should PHEAA use to cap all outstanding interest?

Scenario 1
temp hardship forb 7/1/13 - 8/14/13
deferment 8/15/13 - 5/21/14
temp hardship forb 6/1/14 - 8/31/14
non-capping admin forb 9/01/14 - 10/31/14
Interest Cap Effective 9/1/14

Scenario 2
temp hardship forb 7/1/13 - 8/31/13
non-capping admin forb 9/01/13 - 10/31/13
deferment 11/1/13 - 8/15/14
Interest Cap Effective 8/16/14

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: 24 May 2017 16:44:35 +0000
To: (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) (b)(4); (b)(6) OSLA CM Email; (b)(4); (b)(6)
Cc: Brown, Lenny;Washington, Patrice;Smith, Lynn;Ratchford, Sabrina;Bubel, Susan;Battle, Cynthia;Chialastri, Taneka;CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan
Subject: RE: CR 2785 & CR 3835 Artifacts and Walkthrough Follow-up

My apologies please send your artifacts to the following FSA team members and include them on your walkthrough invites:

- CM_Validation CM_Validation@ed.gov
- Jackson, Lateata Lateata.Jackson@ed.gov
- Yorkshire, Nikcola Nikcola.Yorkshire@ed.gov
- Kim, Bora Bora.Kim@ed.gov
- Foss, Ian Ian.Foss@ed.gov
- Battle, Cynthia Cynthia.Battle@ed.gov
- Chialastri, Taneka Taneka.Chialastri@ed.gov
- Oldre, Lisa Lisa.Oldre@ed.gov
- Walsh, Mark Mark.Walsh@ed.gov
- Bubel, Susan Susan.Bubel@ed.gov
- Leavitt, Katharine - Katharine.Leavitt@ed.gov
- Mitchell, Shayla - Shayla.Mitchell@ed.gov
- McDonald, Katrina - Katrina.McDonald@ed.gov

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

(b)(4); (b)(6)

From: Jackson, Lateata
Sent: Wednesday, May 24, 2017 10:54 AM
To: (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6)
Cc: Brown, Lenny; Washington, Patrice; Smith, Lynn; Ratchford, Sabrina; Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan

Subject: CR 2785 & CR 3835 Artifacts and Walkthrough Follow-up
Importance: High

Since your artifacts are due to FSA today by 4pm I wanted to touch base with you to ensure that you know (for these CRs only) that you should send your artifacts using the CM standard naming format for each contractor everyone below:

Note that we anticipate seeing artifacts from your previous CR 2785 and CR 2785 CAP implementation as FSA did not have the opportunity to review these previously.

- CM_Validation
- Jackson, Lateata Lateata.Jackson@ed.gov
- Yorkshire, Nikcola Nikcola.Yorkshire@ed.gov
- Kim, Bora Bora.Kim@ed.gov
- Foss, Ian Ian.Foss@ed.gov
- Battle, Cynthia Cynthia.Battle@ed.gov
- Chialastri, Taneka Taneka.Chialastri@ed.gov
- Oldre, Lisa Lisa.Oldre@ed.gov
- Walsh, Mark Mark.Walsh@ed.gov
- Bubel, Susan Susan.Bubel@ed.gov

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6)
Sent: 17 May 2017 13:24:44 +0000
To: Battle, Cynthia;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Bubel, Susan;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Washington, Patrice;Smith, Lynn;Pilant, Nicholas;Brown, Lenny;Ratchford, Sabrina;Mahon, Karen;Allen, Heather;Jones, Robert E.;Leavitt, Katharine;Reaves, Michelle;Espinosa, Kimberly;Kang, Soo;(b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR 2785 & CR 3835 Clarification Question

Good morning Cindy,

Nelnet has received approval from FSA to submit the validation scenarios on behalf of Granite State due to the requirement to age many of these scenarios in a test environment. This approval was received with the expectation that we will be fully knowledgeable about the capping requirements and system functionality. Granite State will complete our own walkthrough.

Thank you,
(b)(4); (b)(6)

From: Battle, Cynthia [mailto:Cynthia.Battle@ed.gov]
Sent: Tuesday, May 16, 2017 5:08 PM
To: (b)(4); (b)(6) Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Bubel, Susan; Chialastri, Taneka; DOE - Lisa Oldre; Walsh, Mark; Washington, Patrice; Smith, Lynn; Pilant, Nicholas; Brown, Lenny; Ratchford, Sabrina; Mahon, Karen; Allen, Heather; Jones, Robert E.; Leavitt, (b)(4); (b)(6) Reaves, Michelle; Espinosa, Kimberly; DOE - Soo Kang; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR 2785 & CR 3835 Clarification Question

(b)(4); (b)(6) - can you explain what that means (on your behalf)? Should we still expect that you would walk us through the artifacts and validation scenarios? Thanks.

From: (b)(4); (b)(6) [mailto:(b)(4); @gsmr.org]
Sent: Tuesday, May 16, 2017 4:32 PM
To: Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Washington, Patrice; Smith, Lynn; Pilant, Nicholas; Brown, Lenny; Ratchford, Sabrina; Mahon, Karen; Allen, Heather; Jones, Robert E.; Leavitt, Katharine; Reaves, Michelle; Espinosa, Kimberly; Kang, Soo;(b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR 2785 & CR 3835 Clarification Question

Good afternoon,

Nelnet is sending on our behalf the 15 validation scenarios required for CR2785/3835. Should Granite State include copies of these scenarios in our validation artifact submission (on 5/24/2017)?

Thank you,
(b)(4); (b)(6)
Business Systems Analyst II

Granite State Management & Resources
The NHHEAF Network Organizations
3 Barrell Court
Concord, NH 03301
T. (b)(6)
F. (b)(6)
(b)(4); @gsmr.org
www.gsmr.org

From: Lateata.Jackson@ed.gov [mailto:Lateata.Jackson@ed.gov]
Sent: Tuesday, February 07, 2017 2:02 PM
To: Nikcola.Yorkshire@ed.gov; Bora.Kim@ed.gov; Ian.Foss@ed.gov; Cynthia.Battle@ed.gov; Susan.Bubel@ed.gov; Taneka.Chialastri@ed.gov; DOE - Lisa Oldre; Mark.Walsh@ed.gov; Patrice.Washington@ed.gov; Lynn.Smith@ed.gov; Nicholas.Pilant@ed.gov; Lenny.Brown@ed.gov; Sabrina.Ratchford@ed.gov; Karen.Mahon@ed.gov; Heather.Allen@ed.gov; Robert.E.Jones@ed.gov; Katharine.Leavitt@ed.gov; Michelle.Reaves@ed.gov; Kimberly.Espinosa@ed.gov; DOE - Soo Kang; (b)(4); (b)(6) @nelnet.net; (b)(4); (b)(6) @nelnet.net; @osla.org; @osla.org; @osla.org; @osla.org; @osla.org; OSLA-CR@osla.org; @osla.org; GSCR; (b)(4); (b)(6) EdfinancialFSAChangeReq@edfinancial.com; @edfinancial.com; (b)(4); @edfinancial.com
Subject: Requirements Clarification Meeting - CR 2785 & CR 3835 for Nelnet, EdFinancial, Granite State and OSLA

(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)
(b)(4); (b)(6)

Now that the Contractors are under contract for the CR 3835 work to support the CR 2785 work already done, FSA would like to talk through your system solution and schedule to ensure we are all on the same page and to level-set expectations.

Please join this meeting as we ask our contractors to walk us through their solution and examples.

CR 2785 Phase 2 & CR 3835 for Servicers

Servicer	Implementation Date	Artifact Delivery Date	FSA Walkthru
Nelnet	6/23/2017	5/24/2017 - 4pm est	5/31/2017 - 9am est
EdFinancial	6/23/2017	5/24/2017 - 4pm est	5/31/2017 - 1pm est
Granite State	6/23/2017	5/24/2017 - 4pm est	6/1/2017 - 9am est
OSLA	6/23/2017	5/24/2017 - 4pm est	6/1/2017 - 1pm est

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please contact the sender by reply e-mail and destroy all copies of the original message.

From: Bubel, Susan
Sent: 1 Jun 2017 16:40:57 +0000
To: Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;CM_Validation
Subject: RE: CR 2785 & CR 3835 Granite State Walkthrough
Attachments: walk through 060117 notes.docx

Notes form Granite State's walkthrough this morning

Thanks,

Sue

From: Bubel, Susan
Sent: Wednesday, May 31, 2017 2:22 PM
To: Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; CM_Validation
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Notes form EdFinancial Walkthrough

Thanks,

Sue << File: walk through 053117 notes.docx >>

From: Bubel, Susan
Sent: Wednesday, May 31, 2017 1:53 PM
To: Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; CM_Validation
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Some one has us on hold at FSA, please hang up .

Thanks,

Sue

-----Original Appointment-----
From: (b)(4); (b)(6) [mailto:(b)(4); @edfinancial.com]
Sent: Friday, February 3, 2017 2:03 PM
To: (b)(4); (b)(6) Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; CM_Validation; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough
When: Wednesday, May 31, 2017 1:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Ops Conference Room 3 & Webex

Good Afternoon,

Below is the dial-in and WebEx information for our live walkthrough of CR 2785 & CR 3835. Please feel free to forward this on to other individuals that should be included.

To join the WebEx please click on the link under "Join WebEx Meeting" below in blue and this will take you to the meeting.

Thank you!

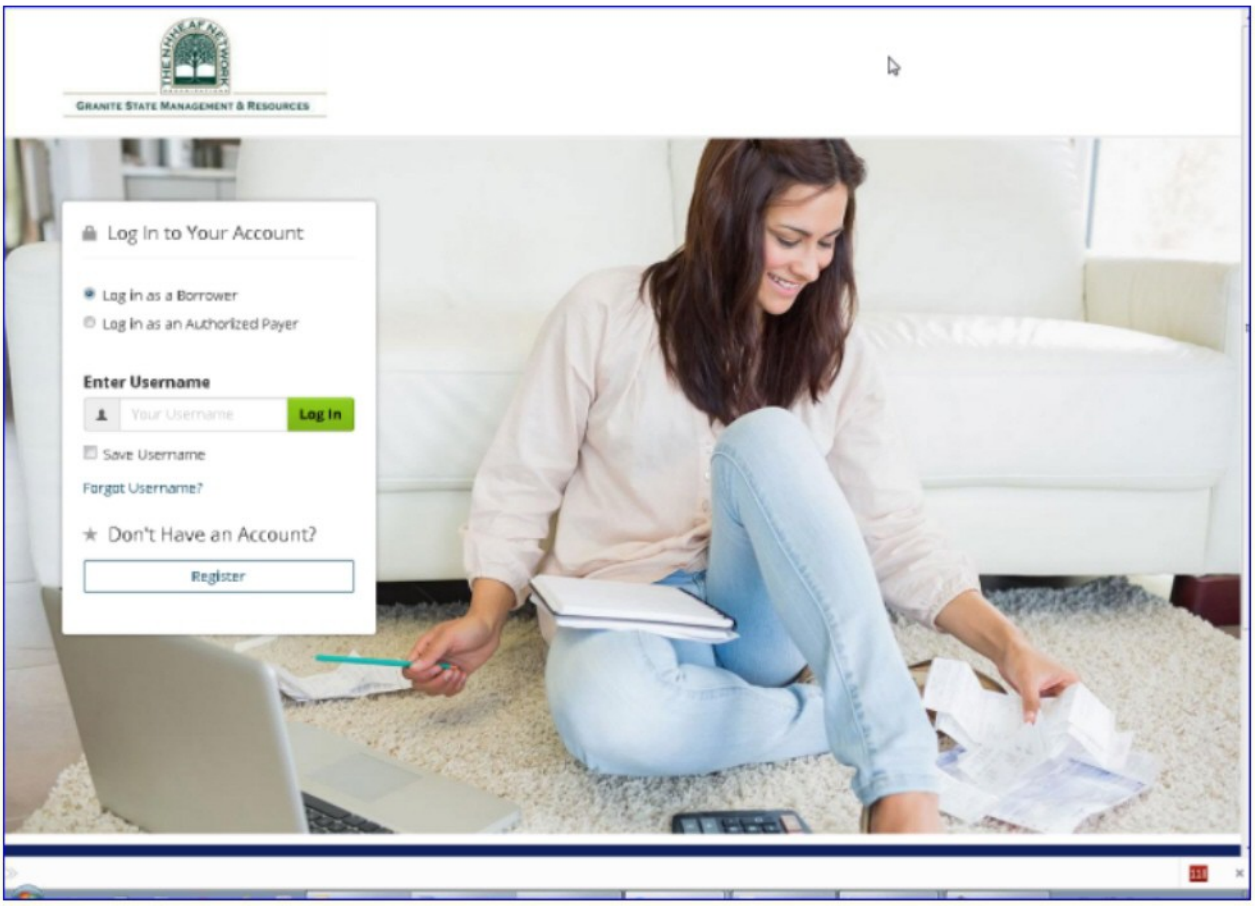
DIAL-IN INFORMATION
Phone Number: (b)(6)
Passcode: (b)(6)

JOIN WEBEX MEETING
https://edfinancial.webex.com/edfinancial/j.php?MTID=mcbb36ccf1afddb41dfa3333e7e8689aa
Meeting number (access code): (b)(6)
Meeting password: (b)(6)

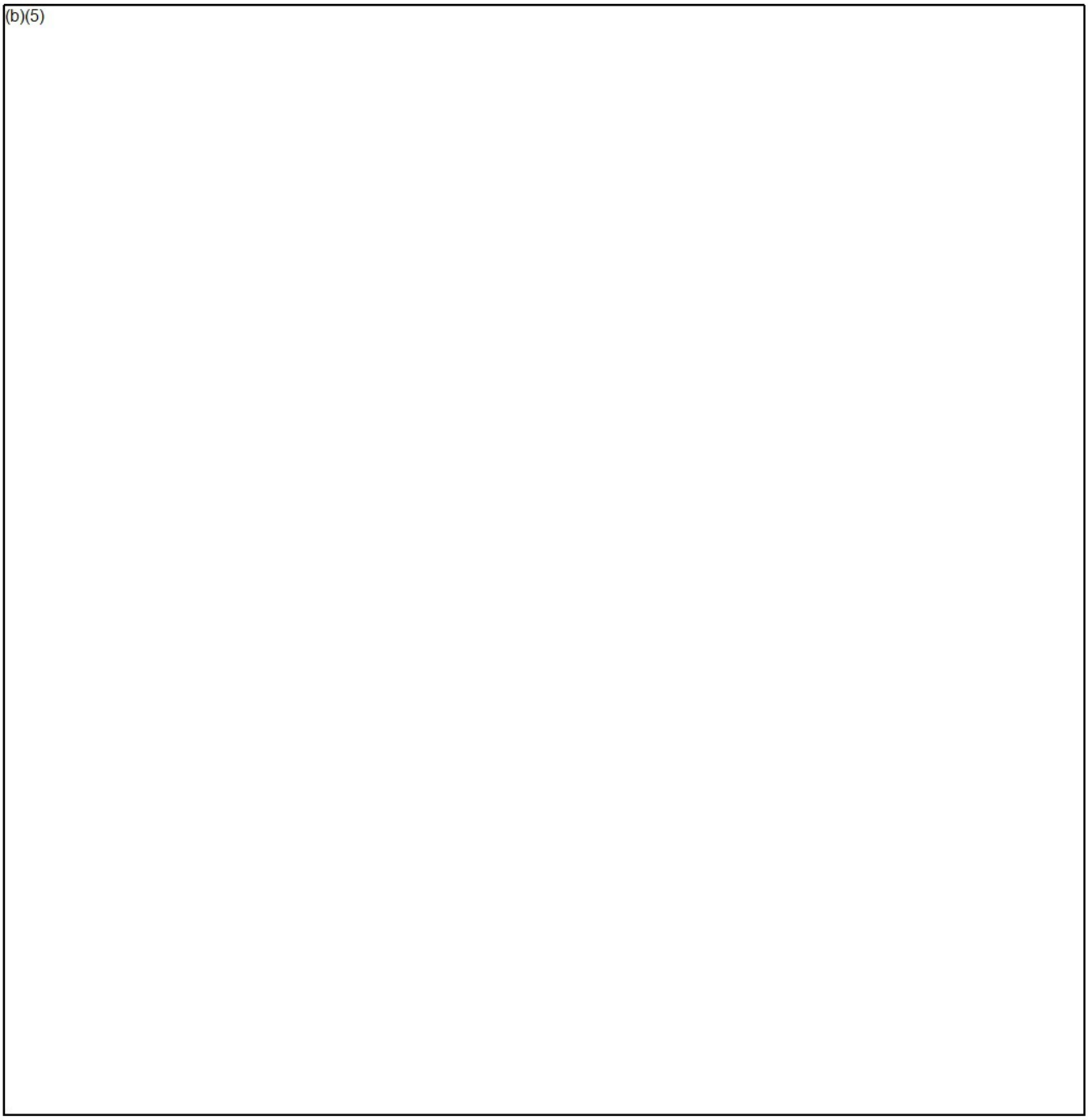
Granite State Walkthrough (06/01/17 9-12)

(b)(5)

(b)(5)

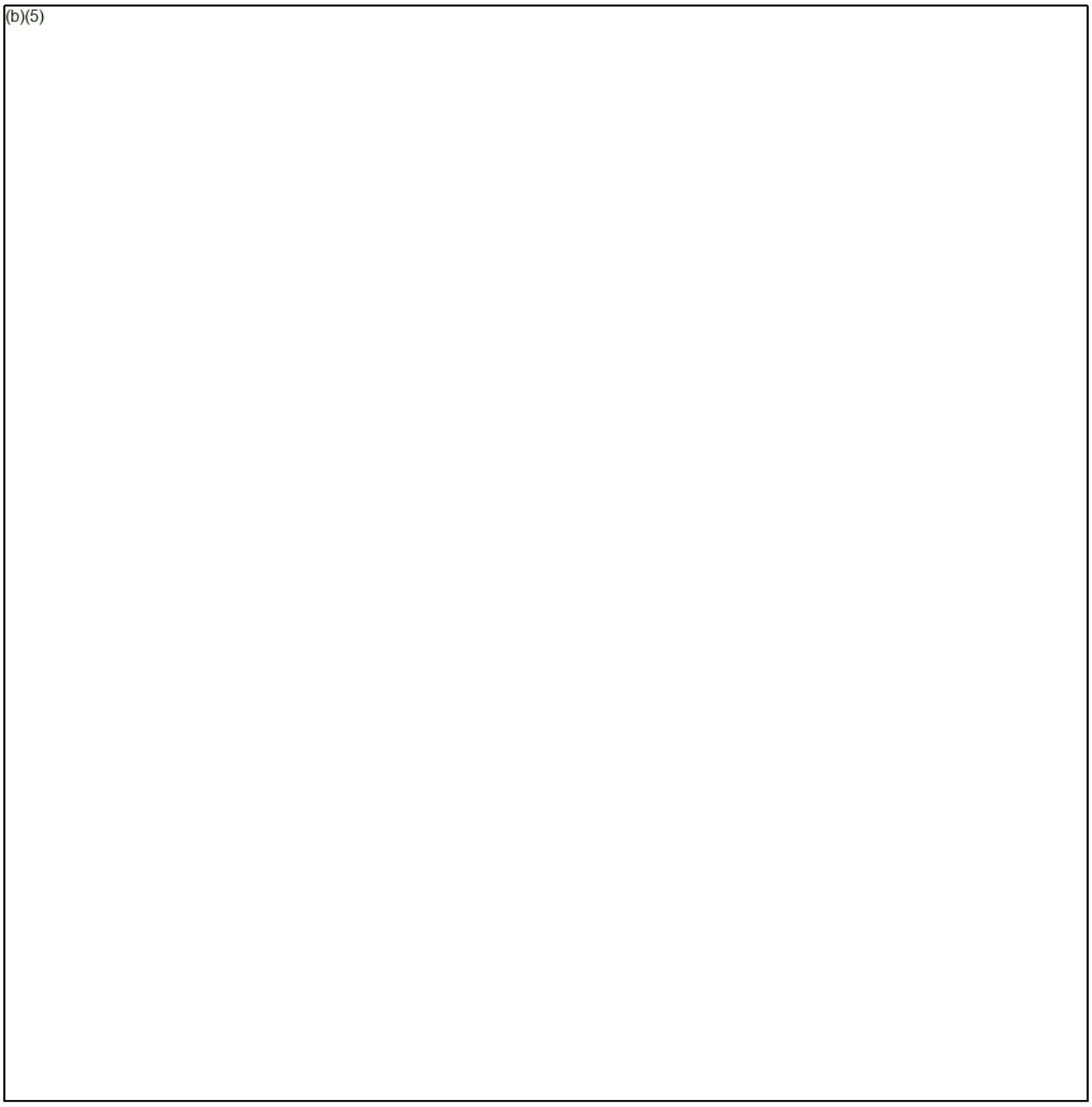

Granite State Management & Resources
Log In to Your Account
Log in as a Borrower
Log in as an Authorized Payer
Enter Username
Your Username
Log In
Save Username
Forgot Username?
Don't Have an Account?
Register

(b)(5)


(b)(5)

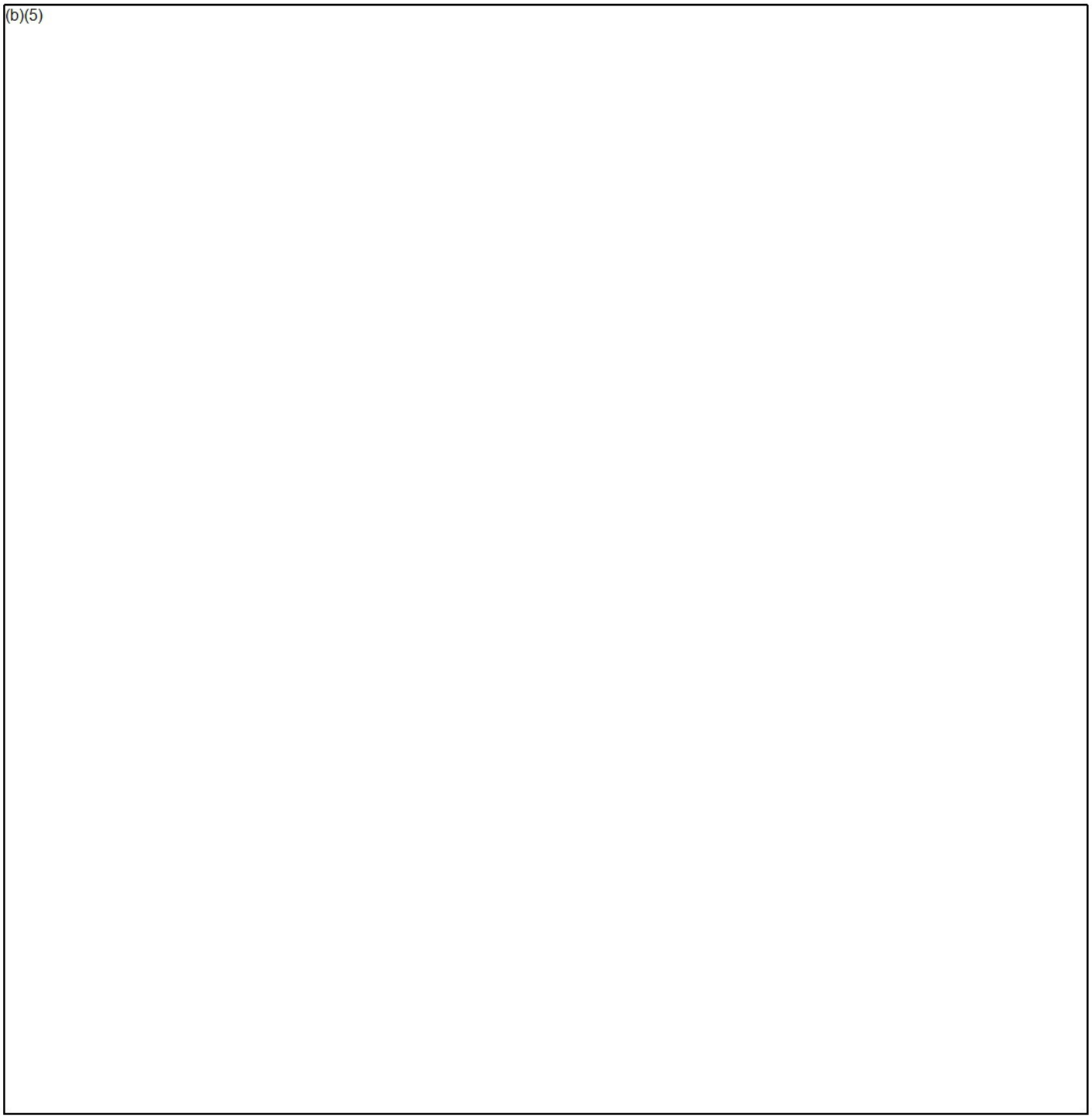
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(b)(5)

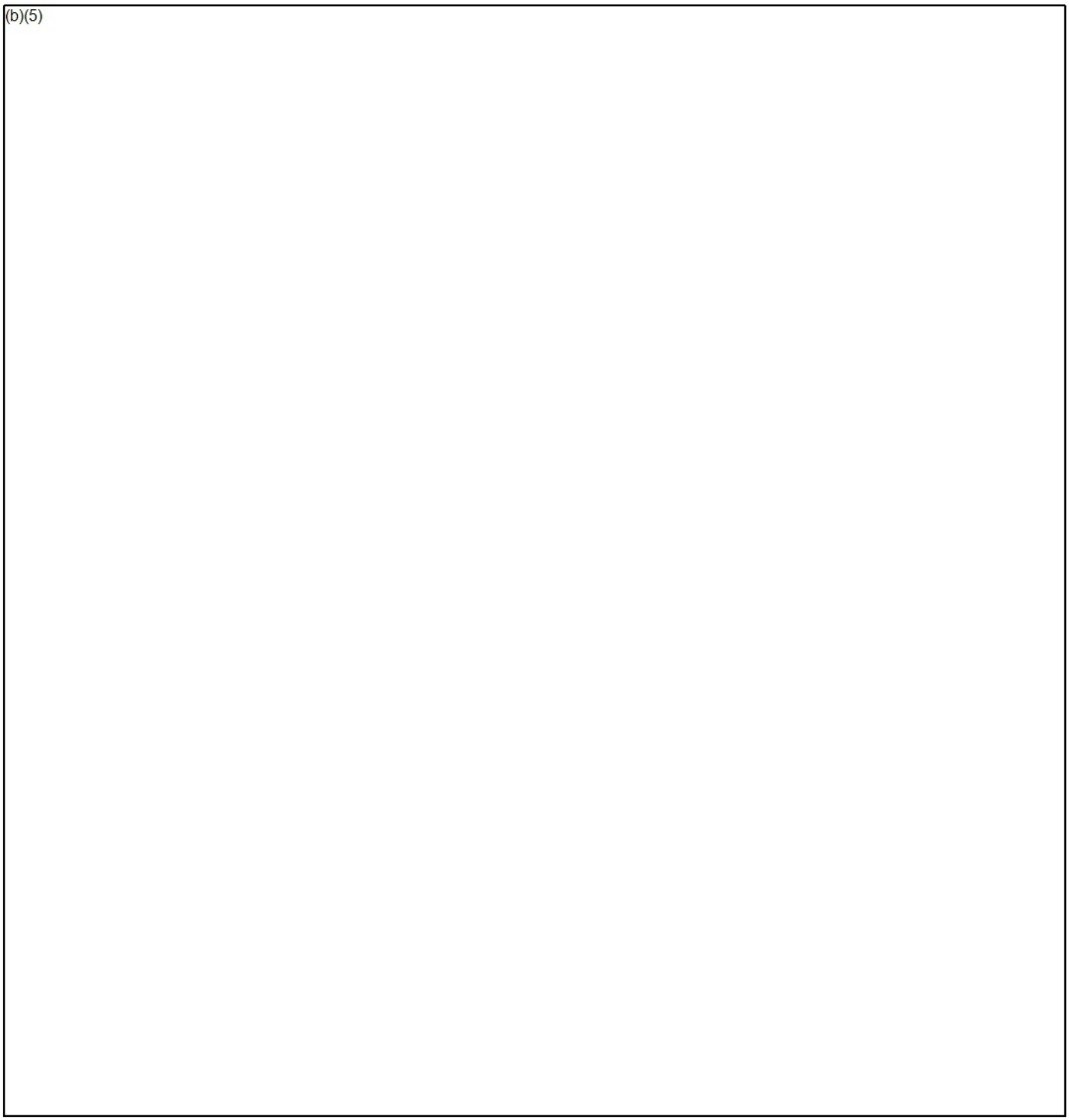

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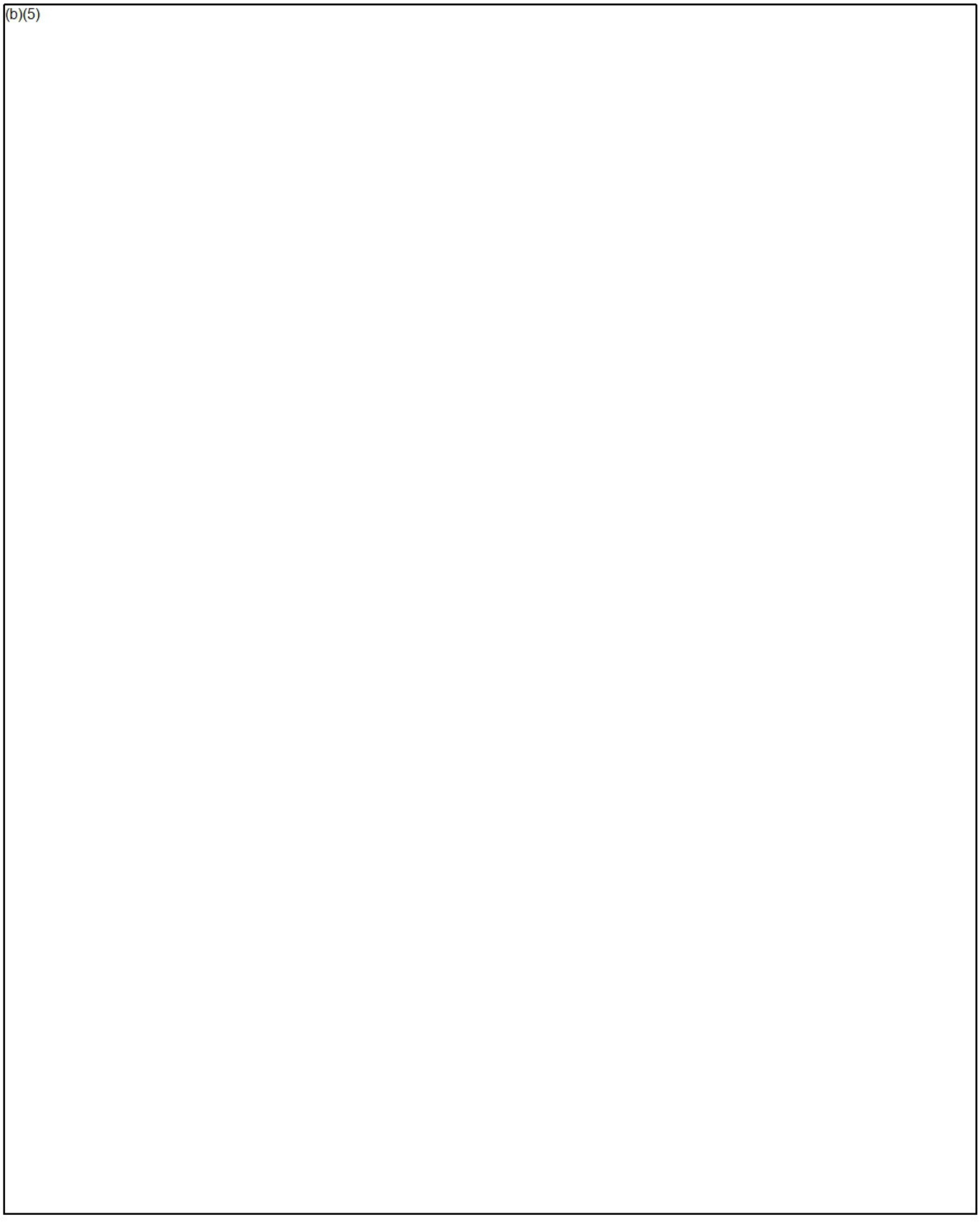
(b)(5)

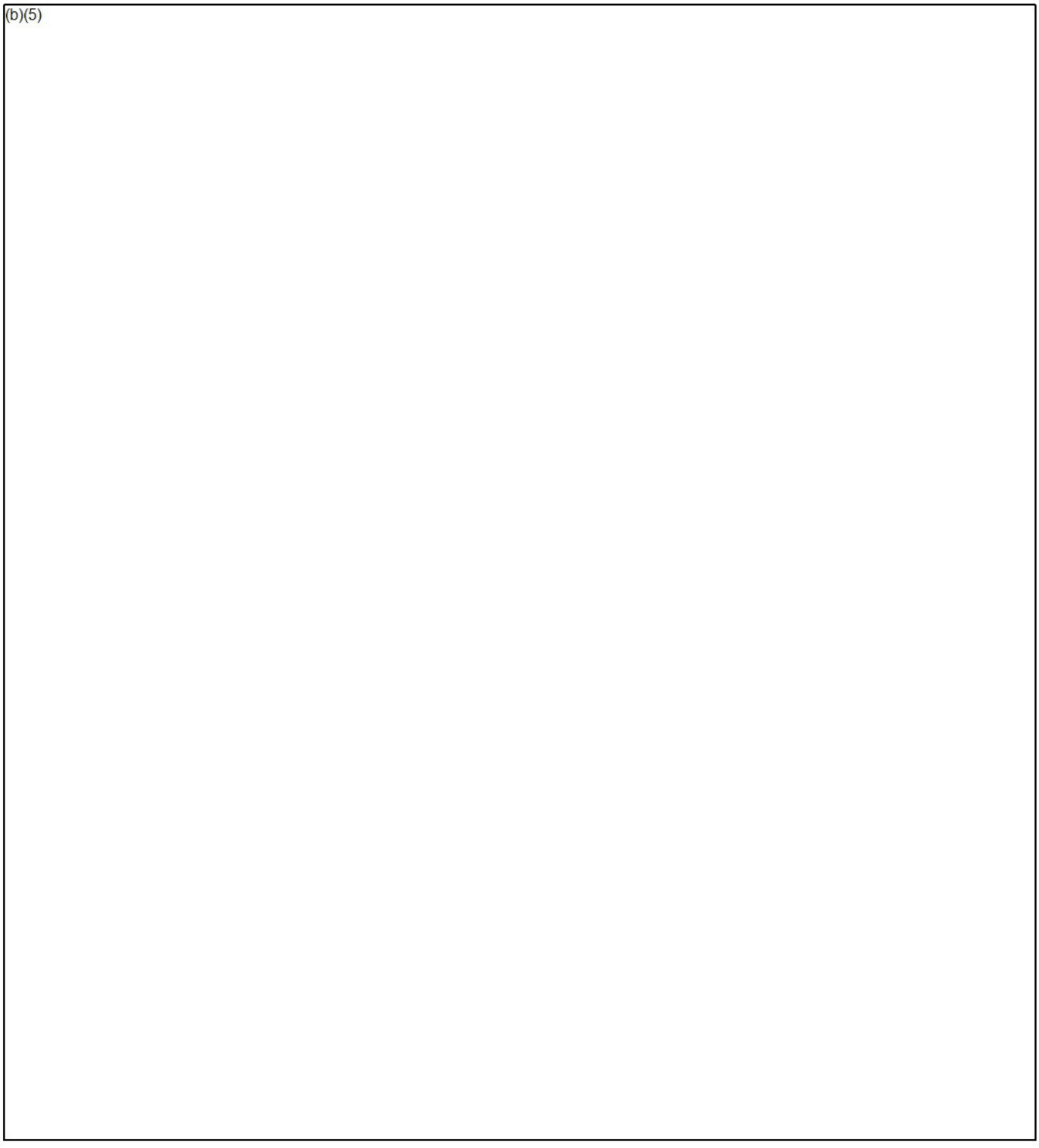
(b)(5)

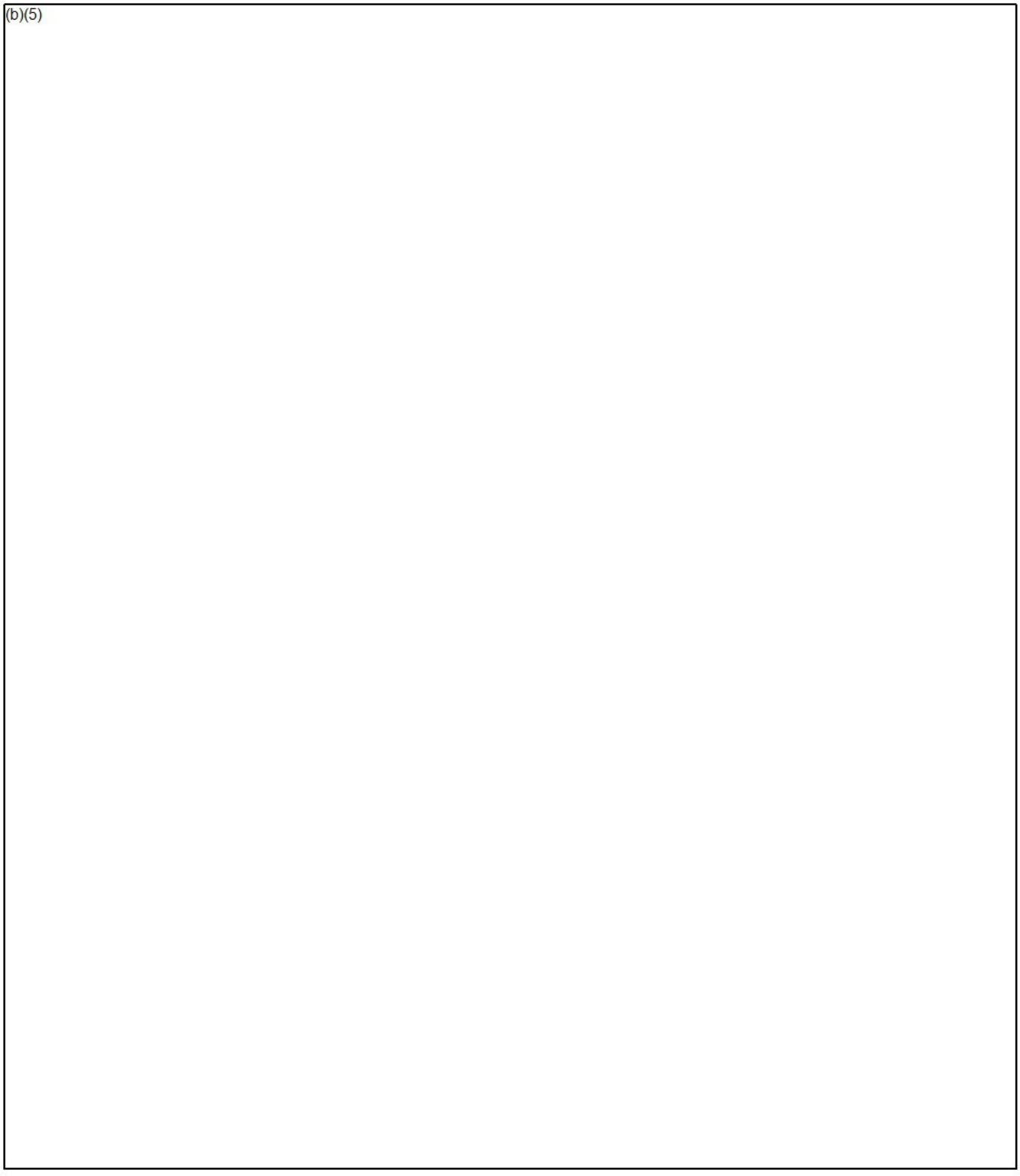

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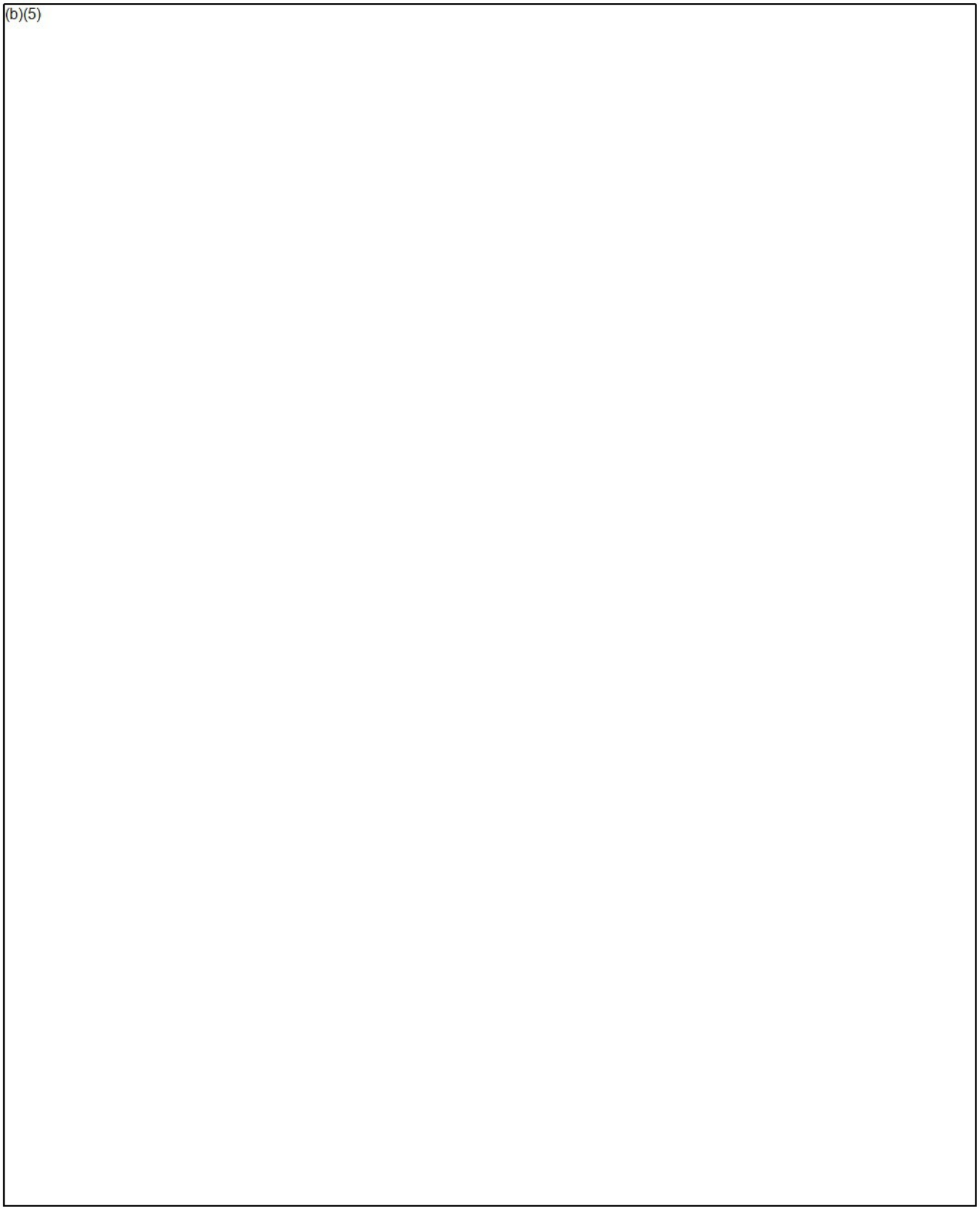

(b)(5)


(b)(5)


(b)(5)


(b)(5)


(b)(5)


(b)(5)

From: Oldre, Lisa
Sent: 2 Jun 2017 12:07:50 +0000
To: Bubel, Susan;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Walsh, Mark;CM_Validation
Subject: RE: CR 2785 & CR 3835 Granite State Walkthrough

Great – that is what I expected.

Have a wonderful weekend (it should be starting soon since it is now lunch time).

From: Bubel, Susan
Sent: Friday, June 02, 2017 8:06 AM
To: Oldre, Lisa; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Walsh, Mark; CM_Validation
Subject: RE: CR 2785 & CR 3835 Granite State Walkthrough

Based on their process as demonstrated/ and described when they apply an entitlement (Forb or def) if the borrower is past due thee system automatically applies a capping admin forb to clear the delinquency on the Nelnet platform ALWAYS. So if I understand your scenario this is how it would work

Borrower is Due the 15th of the month
Today is June 1st
The borrower has not made their May 15th payment yet
The borrower signs up for ACH

An FCZ forb would be applied with a begin date of 06/15/17 and an end date of 06/15/17. This is a non capping forb.
The system would systematically clear the delinquency by applying an Admin Forb begin date 04/16/17 and end date (*I believe from how they explained and demonstrated*)06/14/17. That would be a capping forb.

And yes it feels like lunch time already ☺
TGIF

From: Oldre, Lisa
Sent: Friday, June 2, 2017 7:55 AM
To: Bubel, Susan; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Walsh, Mark; CM_Validation
Subject: RE: CR 2785 & CR 3835 Granite State Walkthrough

Sue
Thanks for the notes

I have a quick question on the notes – in the below statement are you saying the borrower is current and the next payment is due on 6/15 or WAS the borrower due which would be 5/15 or before; asking because the example wouldn't fit both scenarios and we have seen many servicers apply a non capping to cover the past due (hopefully all have changed)
In the event this is a past due account would they then apply a capping forb to cover the delinquency and then the 1 day forb for the ACH agreement?

Hope this makes sense; it has already been a long day and it isn't even 8:00 am.

Lisa

FCZ Forb (for ACH set up) non capping applied for one day (the cycle date to cover the first payment) If my due date was the 15th and signed up today 06/01 would be applied for 06/15 – 06/15.

From: Bubel, Susan
Sent: Thursday, June 01, 2017 12:41 PM
To: Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; CM_Validation
Subject: RE: CR 2785 & CR 3835 Granite State Walkthrough

Notes form Granite State's walkthrough this morning

Thanks,

Sue << File: walk through 060117 notes.docx >>

From: Bubel, Susan
Sent: Wednesday, May 31, 2017 2:22 PM
To: Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; CM_Validation
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Notes form EdFinancial Walkthrough

Thanks,

Sue << File: walk through 053117 notes.docx >>

From: Bubel, Susan
Sent: Wednesday, May 31, 2017 1:53 PM
To: Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; CM_Validation
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Some one has us on hold at FSA, please hang up .

Thanks,

(b)(4); (b)(6)

Sue

-----Original Appointment-----
From: (b)(4); (b)(6) [mailto: @edfinancial.com]
Sent: Friday, February 3, 2017 2:03 PM
To: (b)(4); (b)(6) Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; CM_Validation; (b)(4); (b)(6)

(b)(4); (b)(6)

Subject: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough
When: Wednesday, May 31, 2017 1:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Ops Conference Room 3 & Webex

Good Afternoon,

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To join the WebEx please click on the link under "Join WebEx Meeting" below in blue and this will take you to the meeting.

Thank you!

DIAL-IN INFORMATION
Phone Number: (b)(6)
Passcode: (b)(6)

JOIN WEBEX MEETING
https://edfinancial.webex.com/edfinancial/j.php?MTID=mcbb36ccf1afddb41dfa3333e7e8689aa
Meeting number (access code): (b)(6)
Meeting password: (b)(6)

From: Foss, Ian
Sent: 6 Jun 2017 19:36:35 +0000
To: Bubel, Susan
Cc: Chialastri, Taneka;Battle, Cynthia
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Well, the regulations don't specifically speak to this one, but we have broad authority to grant administrative forbearance in DL in cases outside the scope of what's specifically authorized/mandated in the regulations. However, it's never been clear to me whether the servicers have the authority o make decisions about when to grant an administrative forbearance outside what's explicitly in regulation without asking our permission, or whether they can just forbear whenever they want.

Sorry for the delay.

From: Bubel, Susan
Sent: Thursday, June 01, 2017 10:09 AM
To: Foss, Ian
Cc: Chialastri, Taneka; Battle, Cynthia
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Sorry one more item form Nelnet and Granite State :
FCZ Forb (for ACH set up) non capping applied for one day (the cycle date to cover the first payment)

Is this Ok? Its something they made up ?

From: Foss, Ian
Sent: Thursday, June 1, 2017 9:47 AM
To: Bubel, Susan
Cc: Chialastri, Taneka; Battle, Cynthia
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Yeah, that's right, but this is specifically written into the regulations, and I don't even think we have the authority, under the regulations, to limit the application of this administrative forbearance. It's basically a term and condition of getting a deferment or forbearance when delinquent.

§685.205 Forbearance.

[* * *]

(b) *Administrative forbearance.* In certain circumstances, the Secretary grants forbearance without requiring documentation from the borrower. These circumstances include but are not limited to—

[* * *]

(2) The period for which payments are overdue at the beginning of an authorized deferment or forbearance period;

[* * *]

(9) A period of up to 60 days necessary for the Secretary to collect and process documentation supporting the borrower's request for a deferment, forbearance, change in repayment plan, or consolidation loan. Interest that accrues during this period is not capitalized; or

---

From: Bubel, Susan
Sent: Thursday, June 1, 2017 9:06 AM
To: Foss, Ian
Cc: Chialastri, Taneka; Battle, Cynthia
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

One clarification on my concern with this process. If a borrower is say 3 months delinquent and requests a discretionary deferment, their "auto forb" would clear the delinquency and not count towards the 36 month forb limit only the discretionary months , so if the borrower requested 3 months they would receive 6 months but only 3 months would go against their 36 months worth.

Thanks,

Sue

From: Bubel, Susan
Sent: Wednesday, May 31, 2017 3:34 PM
To: Foss, Ian
Cc: Chialastri, Taneka; Battle, Cynthia
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Yup we are waiting to here what it actually covers so I'll keep you posted. I guess our biggest concern on the call was that borrowers aren't give the info prior to it being applied to make an informed decision . It's a lot of B2B scenarios :0 a capping-poloza ☺

From: Foss, Ian
Sent: Wednesday, May 31, 2017 3:32 PM
To: Bubel, Susan
Cc: Chialastri, Taneka; Battle, Cynthia
Subject: Re: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

But that's not a problem if it follows the other criteria I outlined below. Systems automatically apply administrative forbearances all the time, right?

On May 31, 2017, at 15:30, Bubel, Susan <Susan.Bubel@ed.gov> wrote:

> Oh yeah it is to cure delinquency but its Auto processed, no human needed
>
> ---
>
> **From:** Foss, Ian
> **Sent:** Wednesday, May 31, 2017 3:28 PM
> **To:** Bubel, Susan

Cc: Chialastri, Taneka; Battle, Cynthia
Subject: Re: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Since I'm missed today's meeting with them, are we sure that they aren't just applying an administrative forbearance to cure delinquency when applying another forbearance, a deferment, or change to repayment plan?

On May 31, 2017, at 15:26, Bubel, Susan <Susan.Bubel@ed.gov> wrote:

> Yeah I was a bit speechless, not sure of the timing they are supposed to provide us more details on when and how it works. It was a bit concerning ☺
>
> Sue
>
> _____
> **From:** Chialastri, Taneka
> **Sent:** Wednesday, May 31, 2017 3:23 PM
> **To:** Bubel, Susan; Battle, Cynthia; Foss, Ian
> **Subject:** RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough
>
> Sorry – Sue. I haven't participated on any of these calls but I read the EdFinancial notes. I just read that EdFinancial processes an auto-forb to clear delinquency- I've never heard of this before. Is processed automatically on the system and after how many days of delinquency?
>
> _____
> **From:** Bubel, Susan
> **Sent:** Wednesday, May 31, 2017 2:22 PM
> **To:** Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; CM_Validation
> **Subject:** RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough
>
> Notes form EdFinancial Walkthrough
>
> Thanks,
>
> Sue << File: walk through 053117 notes.docx >>
>
> _____
> **From:** Bubel, Susan
> **Sent:** Wednesday, May 31, 2017 1:53 PM
> **To:** Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; CM_Validation
> **Subject:** RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough
>
> Some one has us on hold at FSA, please hang up .

Thanks,

(b)(4); (b)(6)

Sue

-----Original Appointment-----
From: (b)(4); (b)(6) [mailto:[redacted]@edfinancial.com]
Sent: Friday, February 3, 2017 2:03 PM
To: (b)(4); (b)(6) Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; CM_Validation; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough
When: Wednesday, May 31, 2017 1:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Ops Conference Room 3 & Webex

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Thank you!

DIAL-IN INFORMATION
Phone Number: (b)(6)
Passcode: (b)(6)

JOIN WEBEX MEETING
https://edfinancial.webex.com/edfinancial/j.php?MTID=mcbb36ccf1afddb41dfa3333e7e8689aa
Meeting number (access code): (b)(6)
Meeting password: (b)(6)

From: Bubel, Susan
Sent: 1 Jun 2017 13:50:28 +0000
To: Foss, Ian
Cc: Chialastri, Taneka;Battle, Cynthia
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Ok thanks for the clarification moving on ☺

From: Foss, Ian
Sent: Thursday, June 1, 2017 9:47 AM
To: Bubel, Susan
Cc: Chialastri, Taneka; Battle, Cynthia
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

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Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough

Notes form EdFinancial Walkthrough

Thanks,

Sue << File: walk through 053117 notes.docx >>

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(b)(4); (b)(6)

Sue

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(b)(4); (b)(6)
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DIAL-IN INFORMATION
Phone Number: (b)(6)
Passcode: (b)(6)

JOIN WEBEX MEETING
https://edfinancial.webex.com/edfinancial/j.php?MTID=mcbb36ccf1afddb41dfa3333e7e8689aa
Meeting number (access code): (b)(6)
Meeting password: (b)(6)

From: Bubel, Susan
Sent: 31 May 2017 18:21:33 +0000
To: Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;CM_Validation
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough
Attachments: walk through 053117 notes.docx

Notes form EdFinancial Walkthrough

Thanks,

Sue

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Passcode: (b)(6)

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https://edfinancial.webex.com/edfinancial/j.php?MTID=mcbb36ccf1afddb41dfa3333e7e8689aa
Meeting number (access code): (b)(6)
Meeting password: (b)(6)

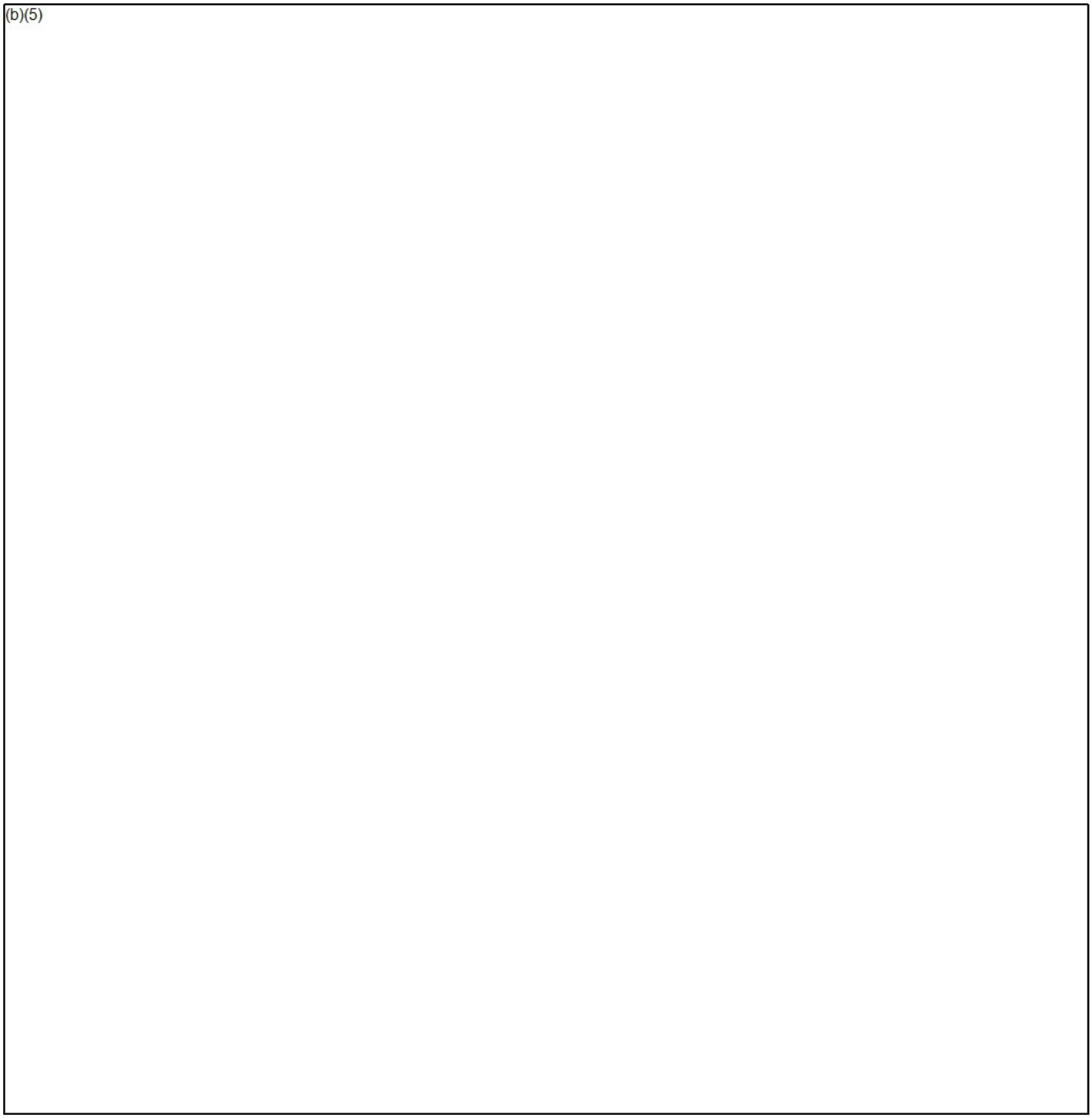

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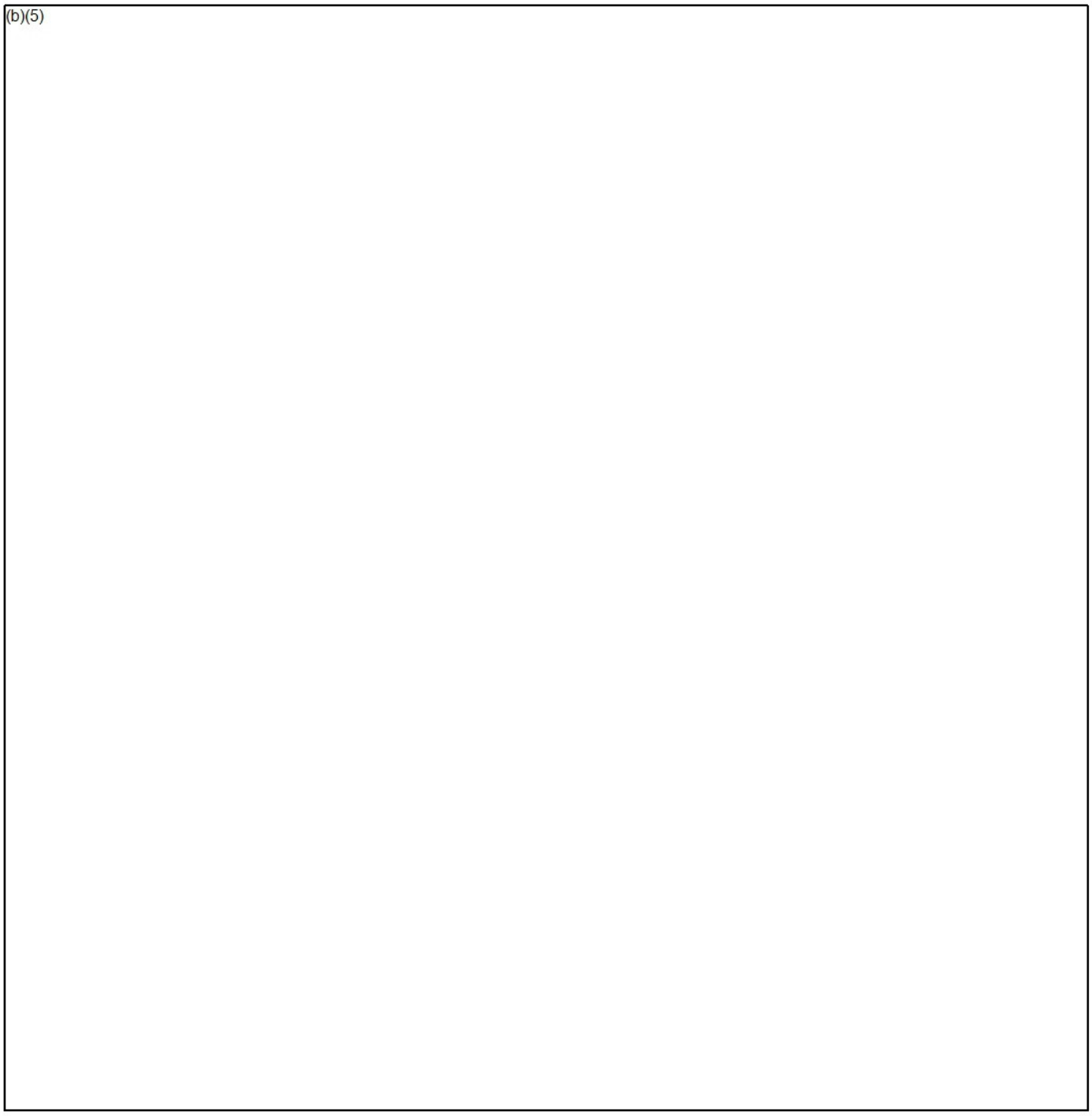
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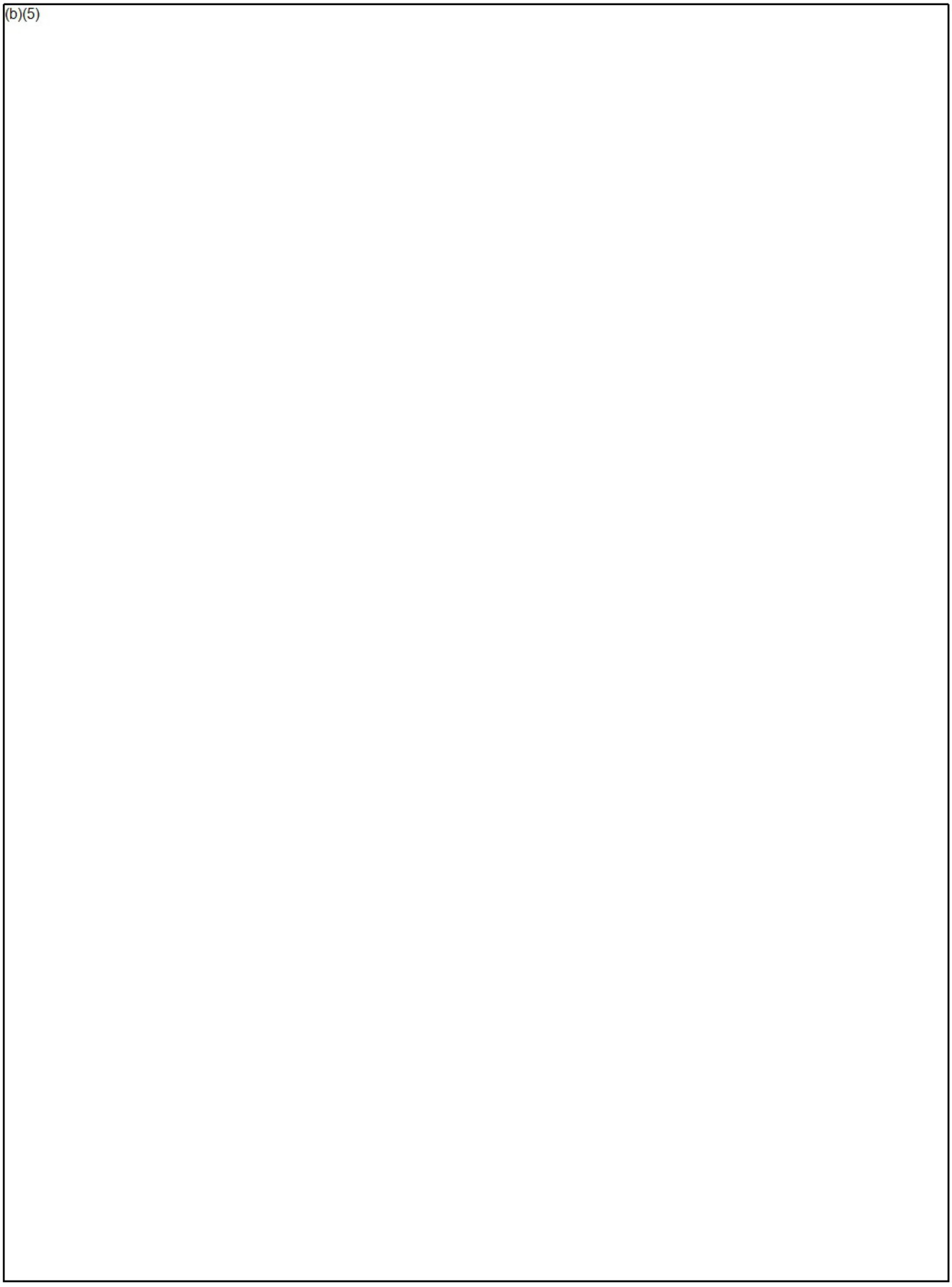
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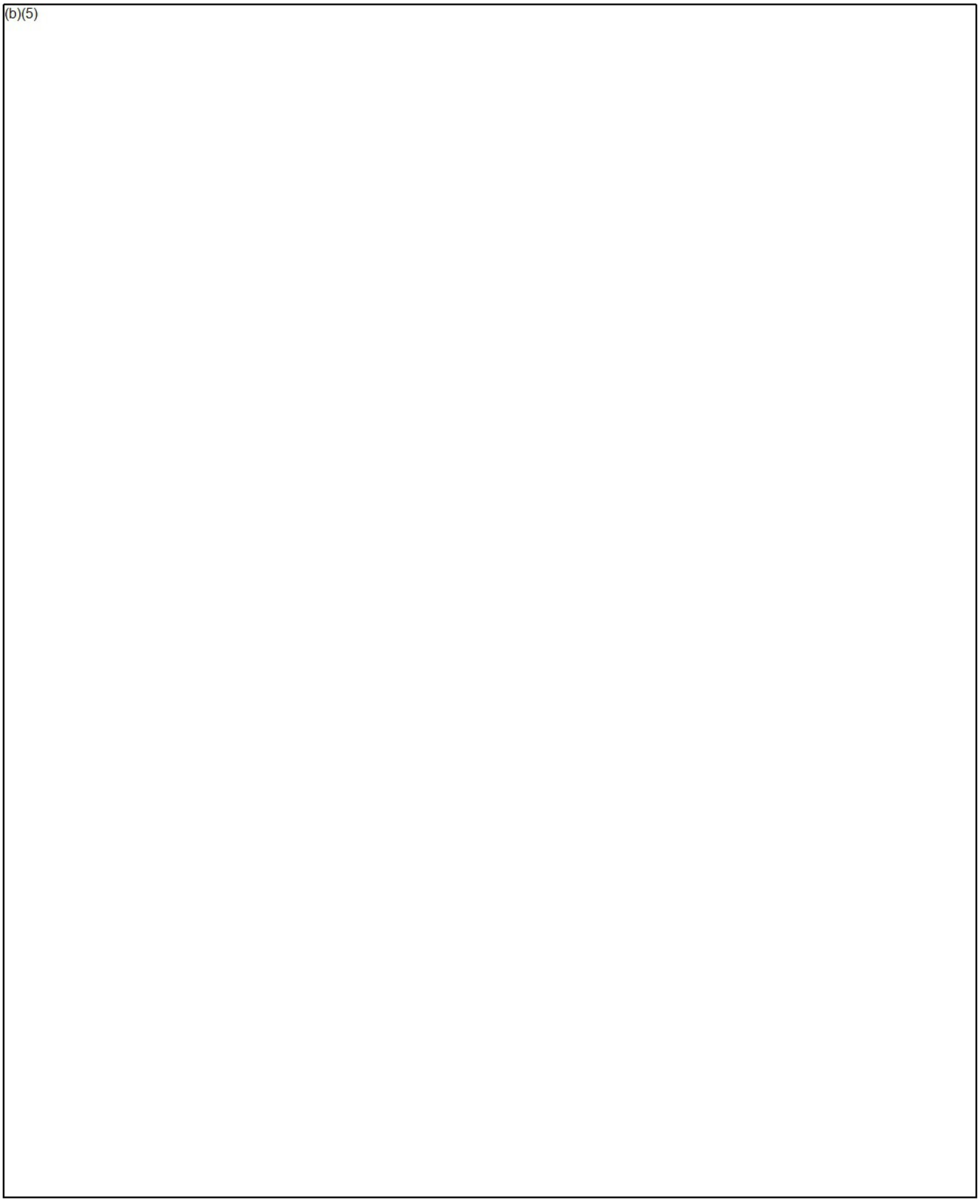

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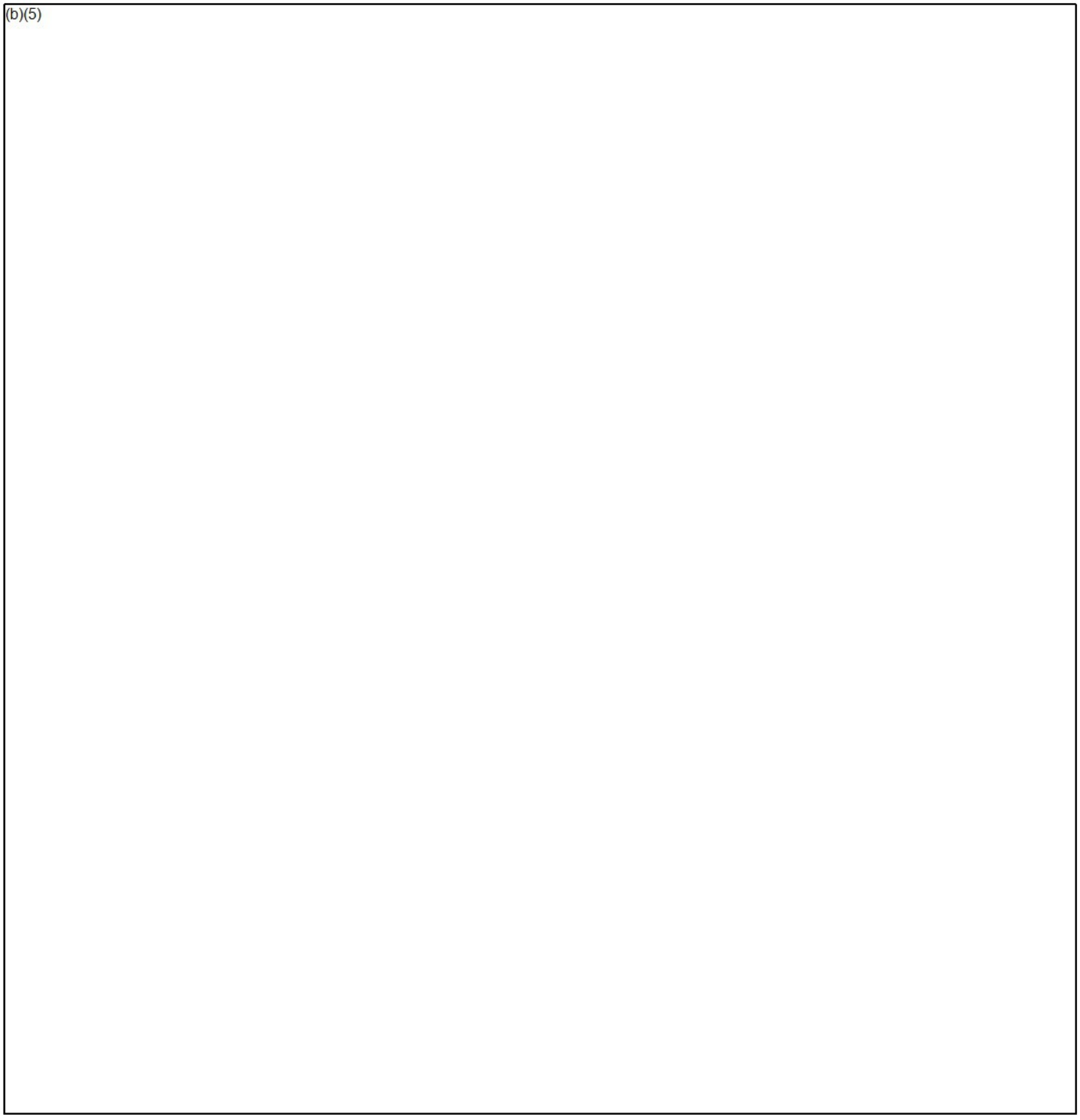
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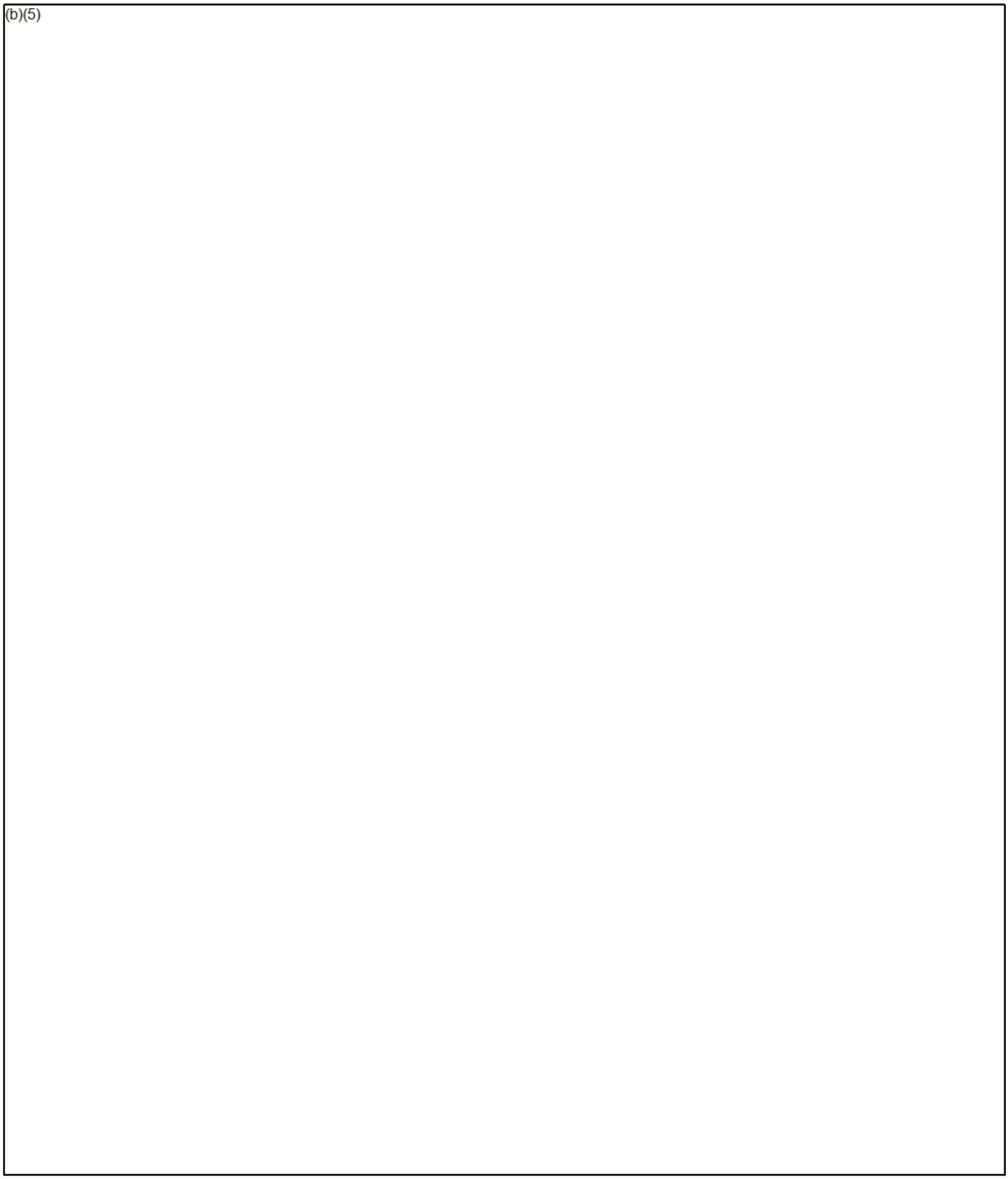
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(b)(5)


(b)(5)


(b)(5)


(b)(5)


(b)(5)

(b)(5)

From: Jackson, Lateata
Sent: 31 May 2017 12:46:53 +0000
To: (b)(6) Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan;CM_Validation;(b)(6) (b)(6)
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough
Attachments: FSA Comments on CR2785 Artifacts_052917.docx

EdFinancial/HESC,

Attached are questions we had for Nelnet specifically but we wanted to make sure you all are aware and ready to address the same questions during your walkthrough.

Federal Student Aid | PROUD SPONSOR of the AMERICAN MIND
An OFFICE of the U.S. DEPARTMENT of EDUCATION

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

(b)(4); (b)(6)

-----Original Appointment-----
From: (b)(6) [mailto: @edfinancial.com]
Sent: Friday, February 03, 2017 2:03 PM
To: (b)(4); (b)(6) Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; CM_Validation;(b)(4); (b)(6) (b)(4); (b)(6)
Subject: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough
When: Wednesday, May 31, 2017 1:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Ops Conference Room 3 & Webex

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DIAL-IN INFORMATION

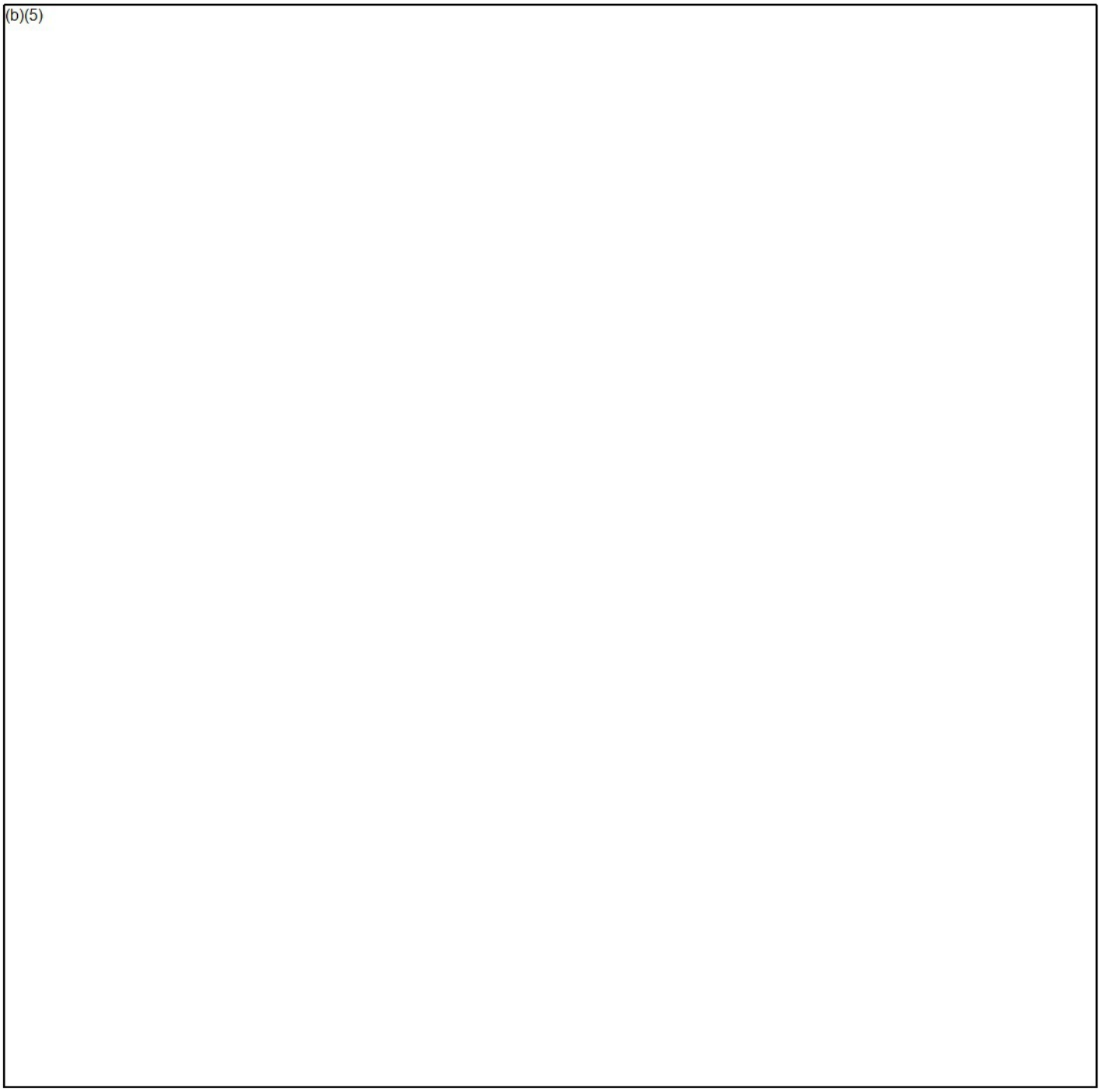
Phone Number: (b)(6)

Passcode: (b)(6)

JOIN WEBEX MEETING

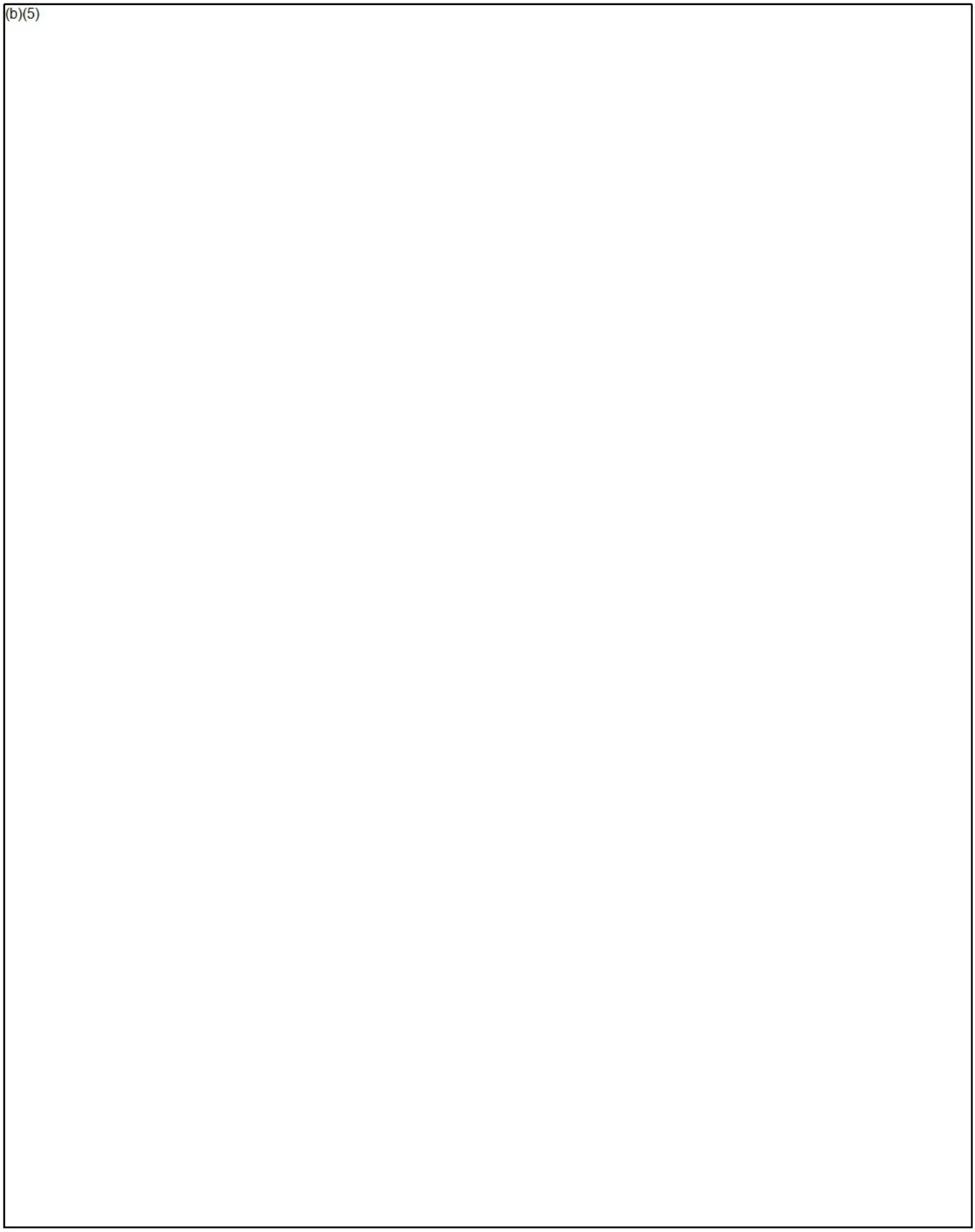
Meeting number (access code) (b)(6)

Meeting password: (b)(6)


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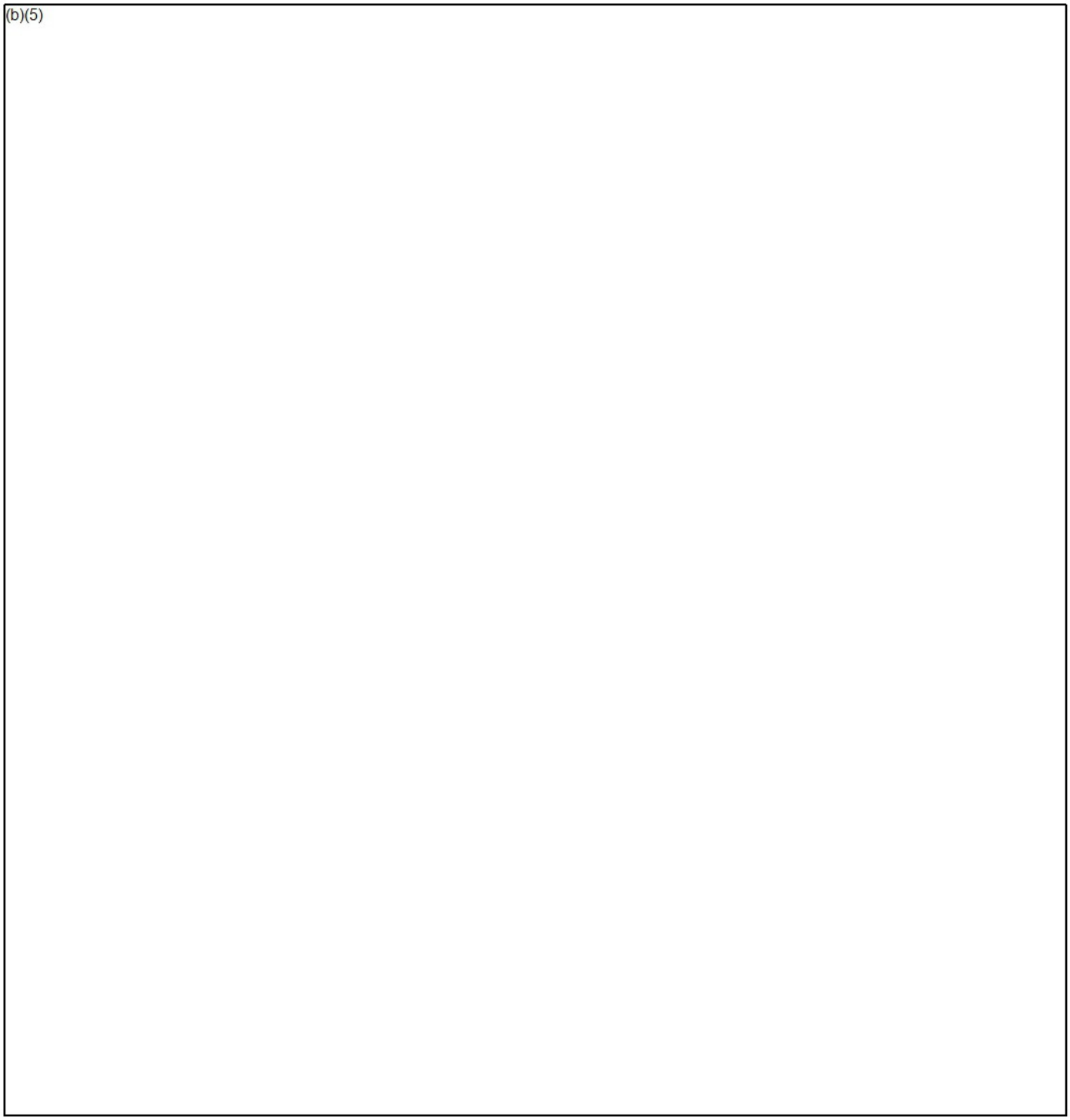
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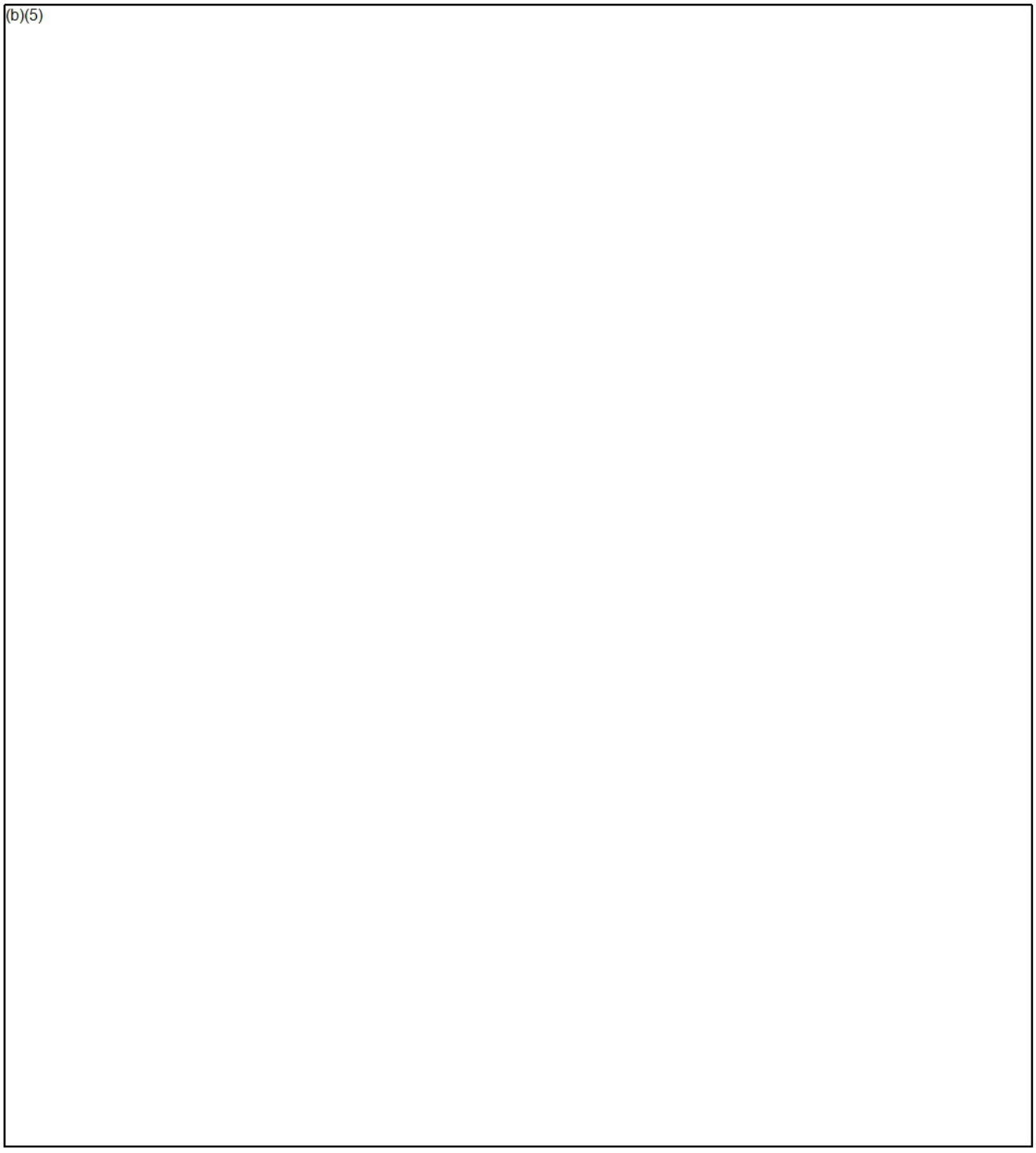
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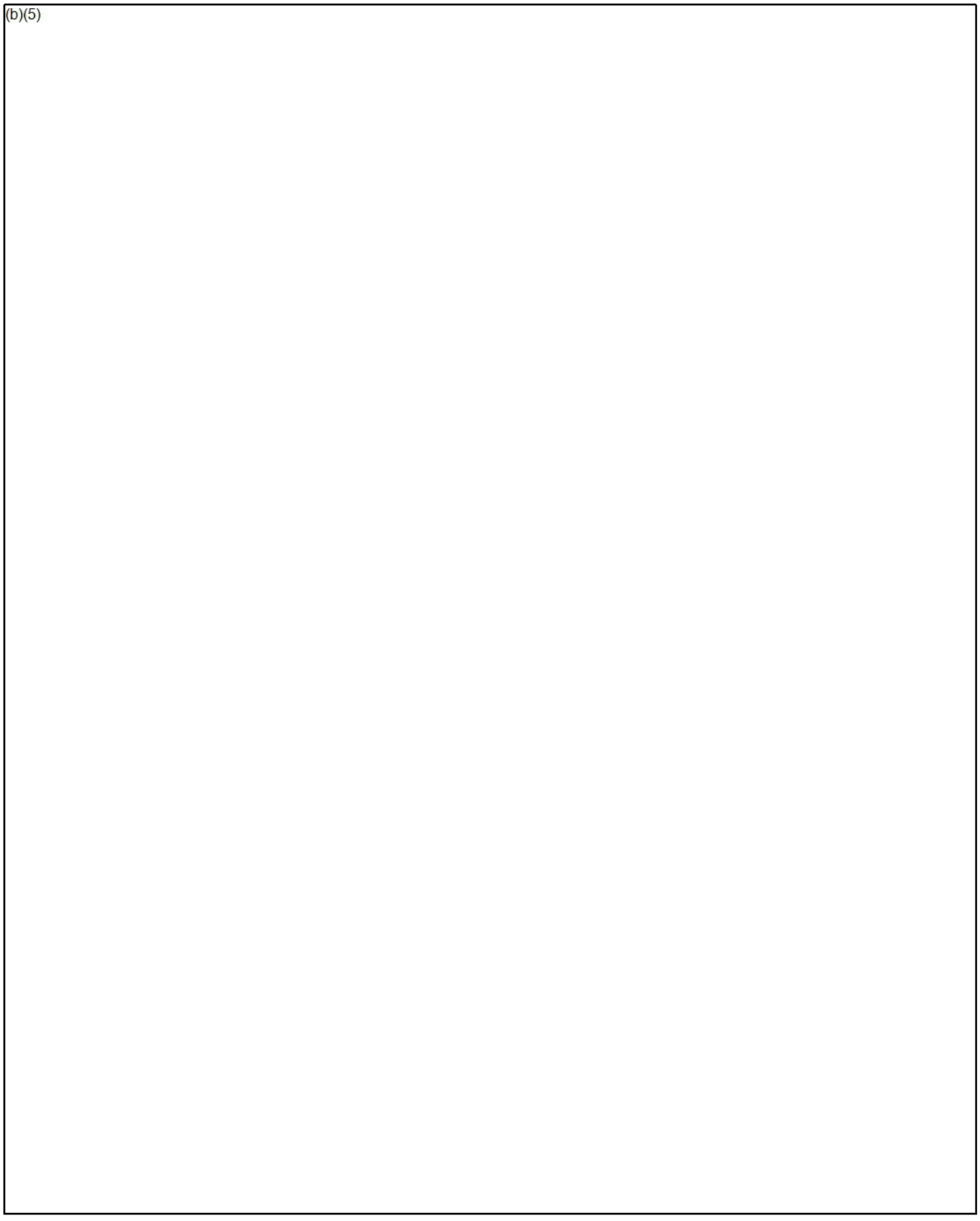
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(b)(5)


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(b)(5)

From: (b)(4); (b)(6)
Sent: 8 Jun 2017 18:30:45 +0000
To: Bubel, Susan;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;CM_Validation
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR 2785 & CR 3835 HESC/Edfinancial Walkthrough
Attachments: Forbs that Allow Admin Forb for Preceding Delinquency.xlsx, 1145-Forbearance End Notice.pdf, SLSS Transaction Codes - Tool.docx

Sue,

Attached are the follow up documents you requested from last week's CR 2785 walkthrough:

1. List of forbearances which are set up to grant an Administrative Forbearance to covering preceding delinquency.
2. The letter we send to a borrower when their forbearance is near expiration.
3. A listing of the transaction codes that you see on the Display Payment Schedule screen and the loan group history screen.

Please let us know if you need anything further.

Thank you,
(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, May 31, 2017 8:47 AM
To: (b)(4); (b)(6) @edfinancial.com>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <Mark.Walsh@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; CM_Validation <CM_Validation@ed.gov>; (b)(4); (b)(6) @edfinancial.com>; (b)(4); (b)(6)
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Change Management Division

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Phone Number: (b)(6)

Passcode: (b)(6)

JOIN WEBEX MEETING

https://edfinancial.webex.com/edfinancial/j.php?MTID=mcbb36ccf1afddb41dfa3333e7e8689aa

Meeting number (access code): (b)(6)

Meeting password: (b)(6)

Below is a list of forbearances that are set up to grant an Admin Forb for preceding delinquency

Forb Code	Forb Description
FDE	NO PAY MANDATORY HARDSHIP
FDH	NO PAY HARDSHIP
FDI	NO PAY HARDSHIP IVR
FDK	NO PAY HARDSHIP KWIKPAY
FDN	ADMIN NON CAPPING FORB
FDO	VERBAL NO PAY HARDSHIP OUT
FDT	TPD ADMIN FORBEARANCE
FDV	VERBAL NO PAY HARDSHIP INB
FDW	NO PAY HARDSHIP WEB
FFC	ADMIN FALSE CERTIFICATION
FFD	ADMIN DEATH
FFP	NO PAY PRE-SVC FORBEARANCE
FGA	HARDSHIP EXTENSION
FGL	HARDSHIP EXTENSION LOW PAY
FH1	REDUCED PMT FORBEARANCE
FIR	ADMIN MEDICAL INTERNSHIP/RESI
FMA	MANDATORY ADMINISTRATIVE FORB
FNS	ADMIN NATIONAL SERVICE
FRD	ADMIN NON CAPPING FORB
FTD	ADMIN NON CAPPING-BWR DEFENSE
FTF	ADMIN 60-DAY ADMIN FORB
FTI	TPD indefinite admin forb
FTP	TPD 120 day admin forb
FVB	120 DAY ORAL AFFIRMATION

Edfinancial Services
P.O. Box 36008
Knoxville, TN 37930-6008

EdFinancial SERVICES

U.S. Department of Education
Information about your federal student loan

MARCH 24, 2015

E15A 1145

[redacted]

Account Number: [redacted]
Group: A

Dear [redacted]:

Our records indicate that the forbearance on your Edfinancial Services account is scheduled to end on 04/14/15.

If no payments are made, estimated accrued interest in the amount of $641.96 will be capitalized (added to the principal balance of the loan) when your forbearance expires. Capitalization of interest will increase the total amount you must repay during your loan period and may cause your monthly payment amount to increase.

If your Edfinancial account is set up for automatic payments through KwikPay®, your automatic debit will resume and the 0.25% benefit will be reinstated on your first scheduled payment due date after the forbearance period ends.

Visit www.edfinancial.com/DL and click "Manage My Account" to access your account information, sign up for automatic payments through KwikPay and apply for deferment or forbearance.

If you have questions about your account, contact us at www.edfinancial.com/Contact or call us at 1.855.337.6884. Our automated voice response system is available 24 hours a day.

Sincerely,

Edfinancial Services

Payment Schedule Codes	Description		Loan History Transaction Codes	Description	Notes
A08	A08 for Standard, Graduated, Extended, Extended-Grad				
A90	Payment steps for Graduated or Extended-Grad plans				
A09	Start PFH payments. 1st payment is due the month following the H01		H01	ENTER PFH	Based on the cycle day, this writes 1 month + one day before the first PFH payment is due, including $0.00 payments. Begins PFH interest accrual
A09	Start PFH payments. 1st payment is due the month following the J01		J01	ENTER PFH PAYE	Based on the cycle day, this writes 1 month + one day before the first PFH payment is due, including $0.00 payments. Begins PFH interest accrual
A09	Start PFH payments. 1st payment is due the month following the W01		W01	ENTER PFH REPAYE	Based on the cycle day, this writes 1 month + one day before the first PFH payment is due, including $0.00 payments. Begins PFH interest accrual
A09	Start Neg Am payments. 1st payment is due the month following the H01		N01	START ICR NEG AM	If the borrower enters ICR and the payment doesn't cover monthly interest accrual, the N01 writes 1 month + one day before the first ICR cycle date.
A10	Start Perm-Std payments. 1st payment is due the month following the H02		H02	ENTER IBR PERM STD	Based on the cycle day, this writes 1 month + one day before the first Perm-Std payment is due
A10			J02	ENTER PFH PAYE	Based on the cycle day, this writes 1 month + one day before the first Perm-Std payment is due
A08	Start REPAYE-ALT payments. 1st payment is due the month following the W02		W02	ENTER REPAYE ALT PL	Based on the cycle day, this writes 1 month + one day before the first REPAYE ALT payment is due. payment is due

A09	Start PFH payments. 1st payment is due the month following the H03		H03	REENTER PFH	Based on the cycle day, this writes 1 month + one day before the first PFH payment is due following recertification, including $0.00 payments. Begins PFH interest accrual
A09	Start PFH payments. 1st payment is due the month following the J03		J03	RE-ENTER PFH PAYE	Based on the cycle day, this writes 1 month + one day before the first PFH payment is due following recertification, including $0.00 payments. Begins PFH interest accrual
A09	Start PFH payments. 1st payment is due the month following the W01		W03	RE-ENTER PFH REPAYE	Based on the cycle day, this writes 1 month + one day before the first PFH payment is due, including $0.00 payments. Begins PFH interest accrual
A09/A10	PFH or Perm-Std		H04	END PFH SUBSIDY	3 years after the first H01 date
A09/A10	PFH or Perm-Std		J04	ED PAYE SUBSIDY	3 years after the first J01 date
A09/A10	PFH or Alt REPAYE		W04	END 100% REPAYE SUB	3 years after the first W01 date
A08 or A09	A08 for Standard, Graduated, Extended, Extended-Grad. A09 if the borrower enters a different IDR plan		H30	CANCEL IBR	Removes all associated records. The borrower was never in that plan
A08 or A09	A08 for Standard, Graduated, Extended, Extended-Grad. A09 if the borrower enters a different IDR plan		J30	CANCEL PAYE	Removes all associated records. The borrower was never in that plan
A08 or A09	A08 for Standard, Graduated, Extended, Extended-Grad. A09 if the borrower enters a different IDR plan		N30	CANCEL ICR	Removes all associated records. The borrower was never in that plan
A08 or A09	A08 for Standard, Graduated, Extended, Extended-Grad. A09 if the borrower enters a different IDR plan		W30	CNCL REPAYE	Removes all associated records. The borrower was never in that plan

A08 or A09	A08 for Standard, Graduated, Extended, Extended-Grad. A09 if the borrower enters a different IDR plan		H99	EXIT IBR	Borrower elects to leave IBR and enter a different repayment schedule
A08 or A09	A08 for Standard, Graduated, Extended, Extended-Grad. A09 if the borrower enters a different IDR plan		J99	EXIT PAYE	Borrower elects to leave PAYE and enter a different repayment schedule
A08 or A09	A08 for Standard, Graduated, Extended, Extended-Grad. A09 if the borrower enters a different IDR plan		W99	EXIT REPAYE	Borrower elects to leave REPAYE and enter a different repayment schedule
A08 or A09/A10	A09 / A10 if the borrower remains in ICR or A08 for Standard, Graduated, Extended, Extended-Grad.		N99	END ICR NEG AM	Borrower no longer has a negatively amortizing payment amount. This may be caused by a higher income reported at recertification or the borrower elects to leave ICR and enter a different repayment schedule
Dxx, Fxx, A09	Dxx = Deferment Fxx = Forbearance A09 = PFH Period		E01	CONTIG DEF/FORB INT	A marker record that notes the principal and interest balance at the time a back-to-back capping situation occurs
			N50	NEG AM BAL MARKER	Written each year on 07/01 as a marker record that notes the principal and interest balance as of that date if the loan has an unpaid neg am balance.

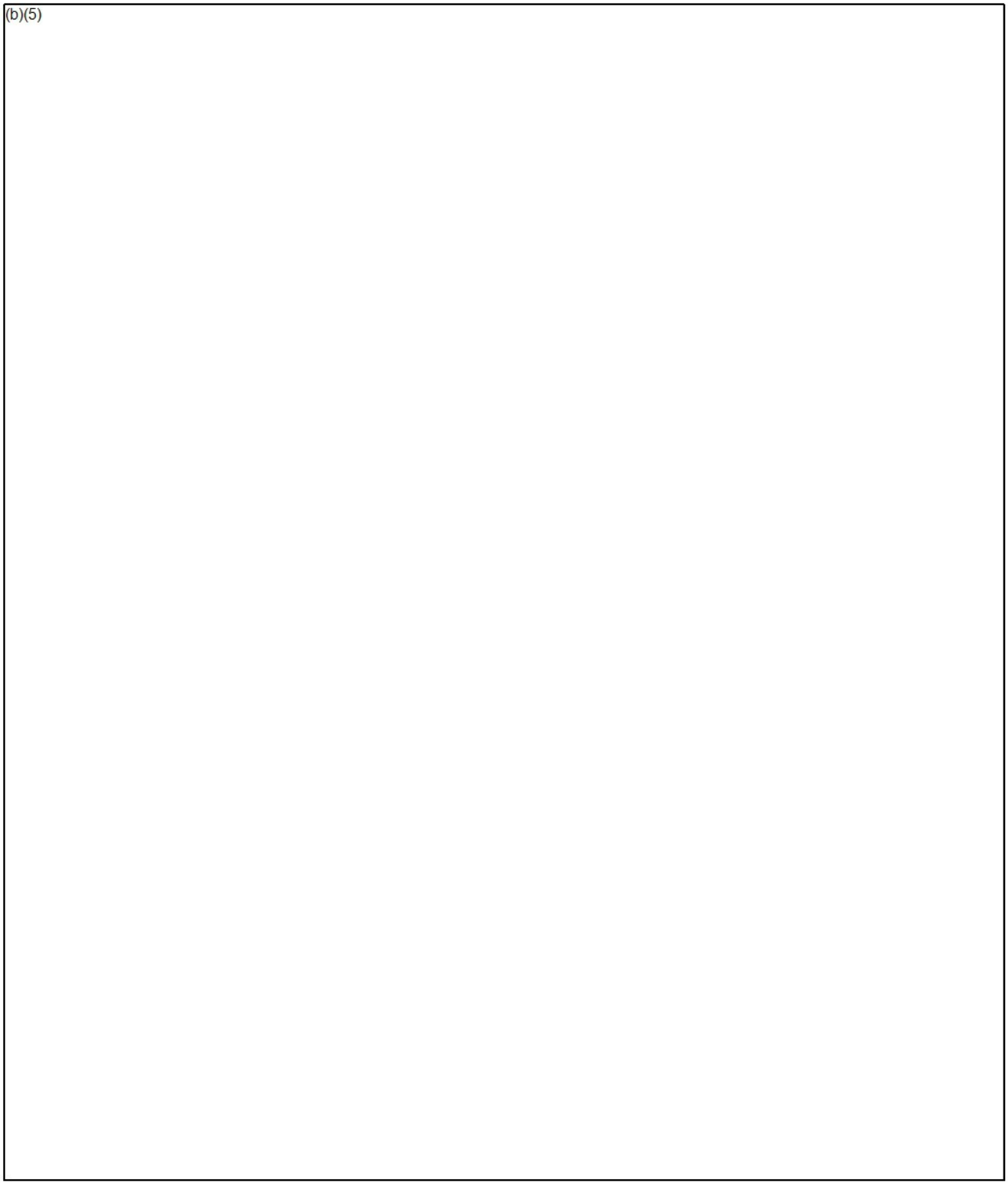
From: Bubel, Susan
Sent: 2 Jun 2017 15:10:01 +0000
To: Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;CM_Validation
Subject: RE: CR 2785 & CR 3835 OSLA Walkthrough
Attachments: walk through 060217 notes.docx

Notes form OSLA walkthrough.

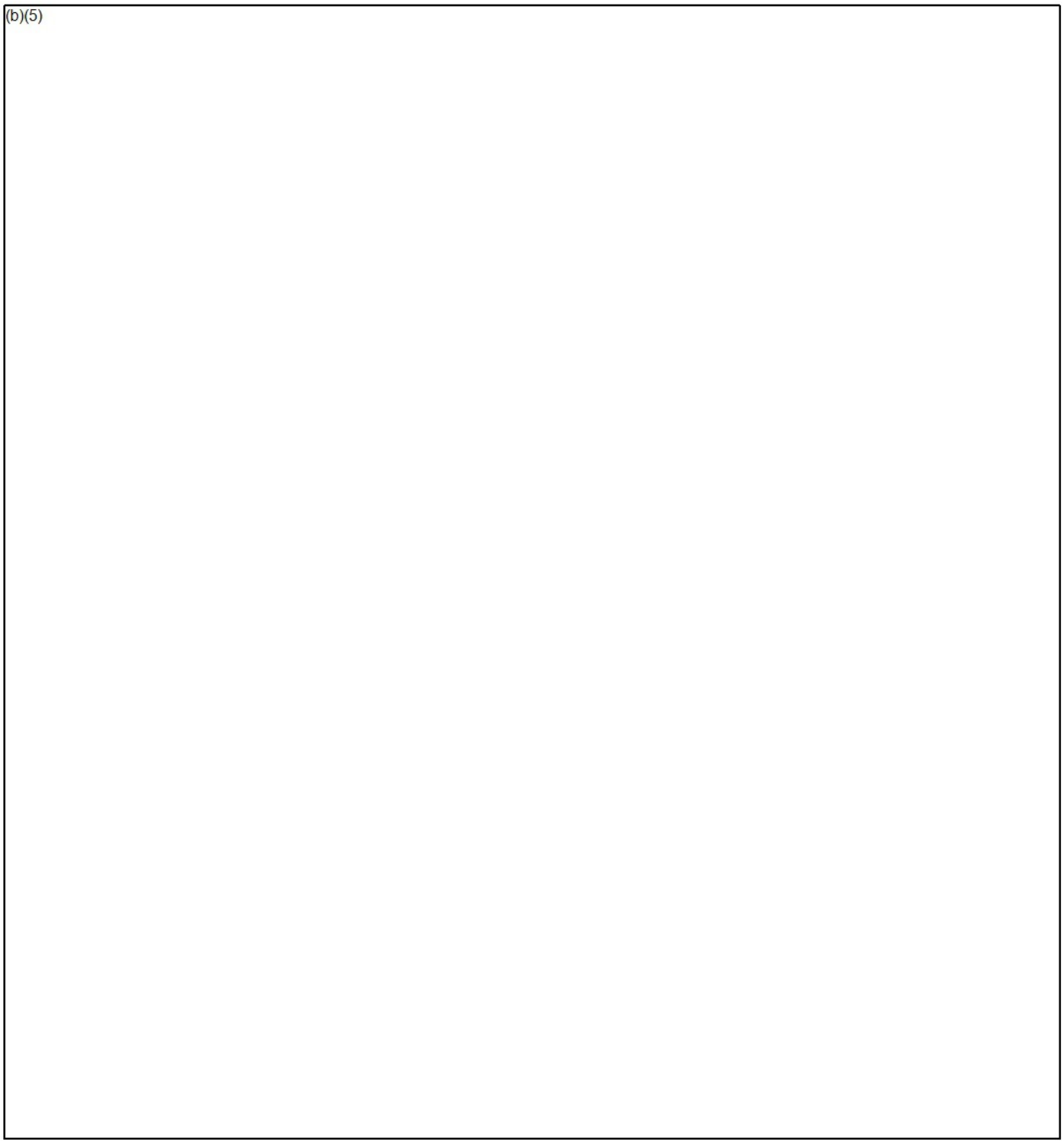
Please let me know if you have any corrections or anything to add.

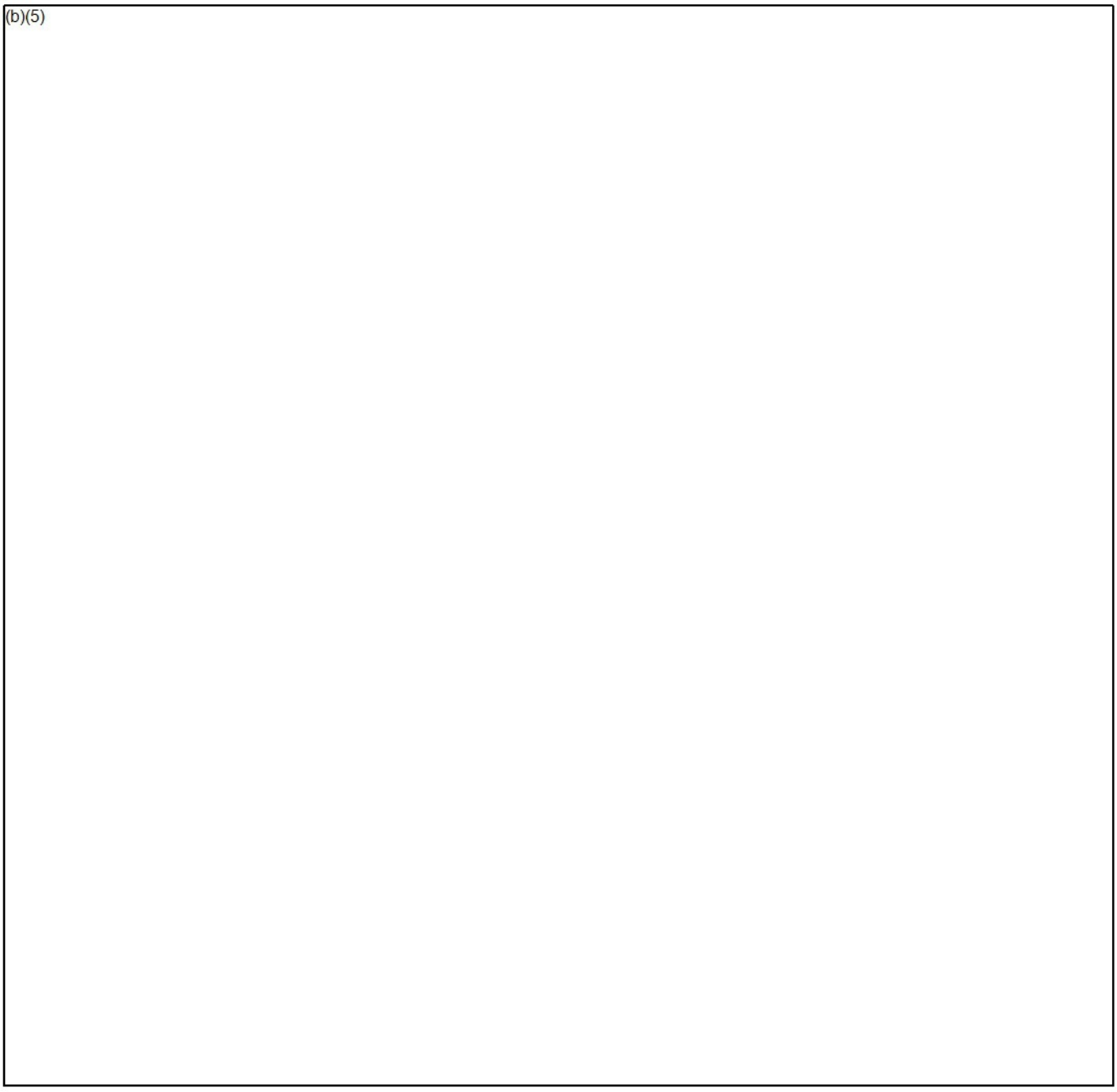
Thanks,

Sue


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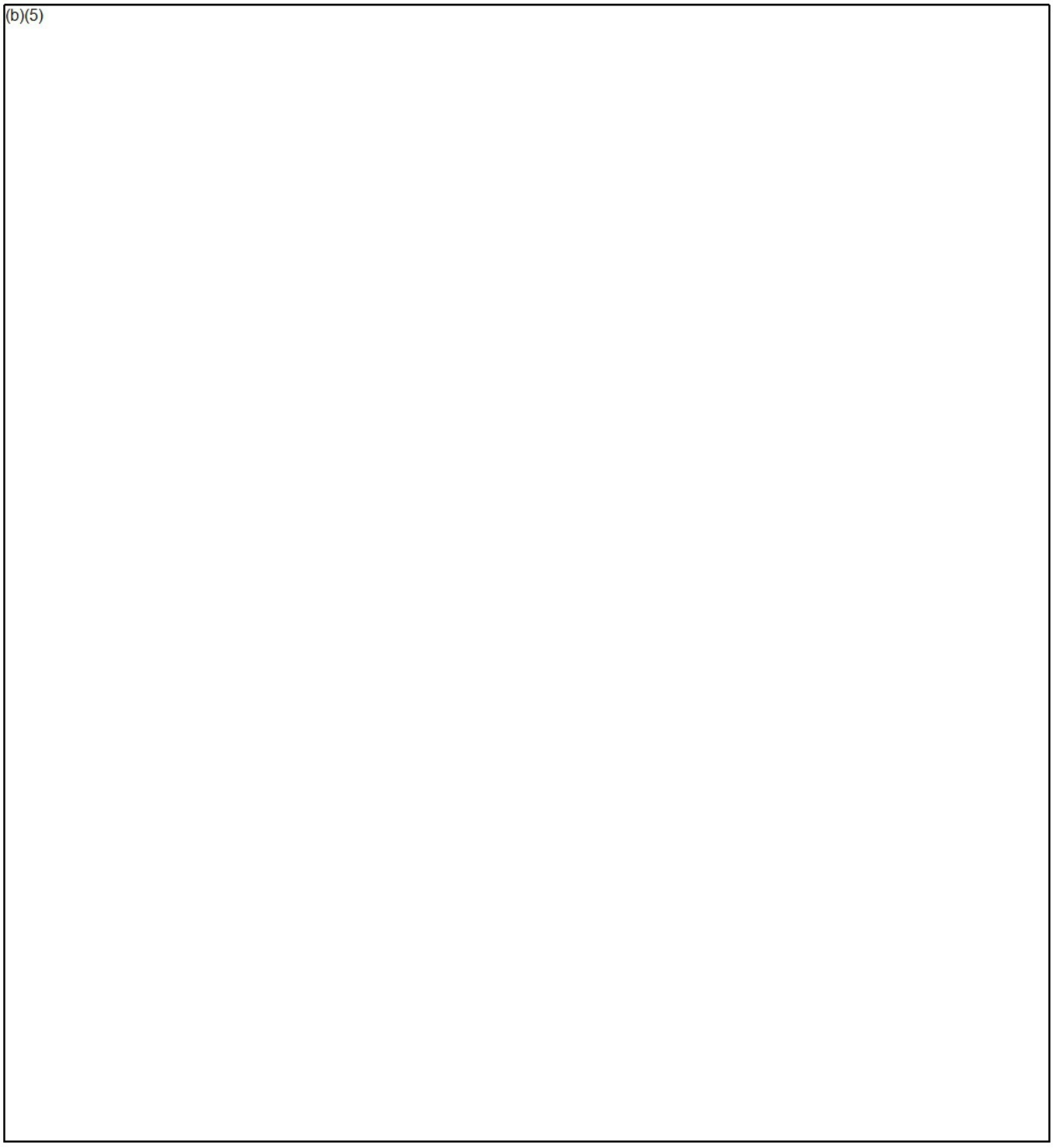

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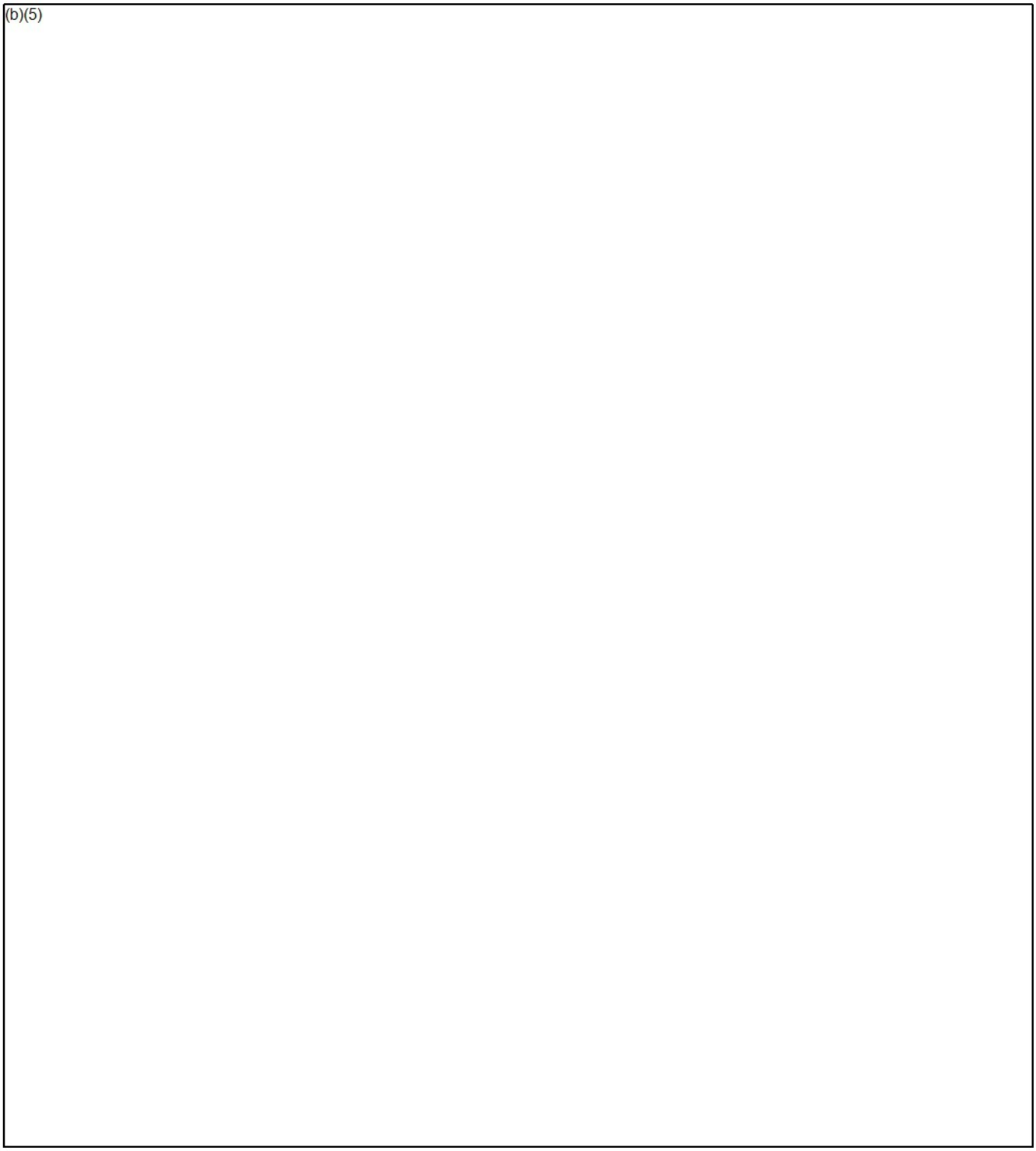
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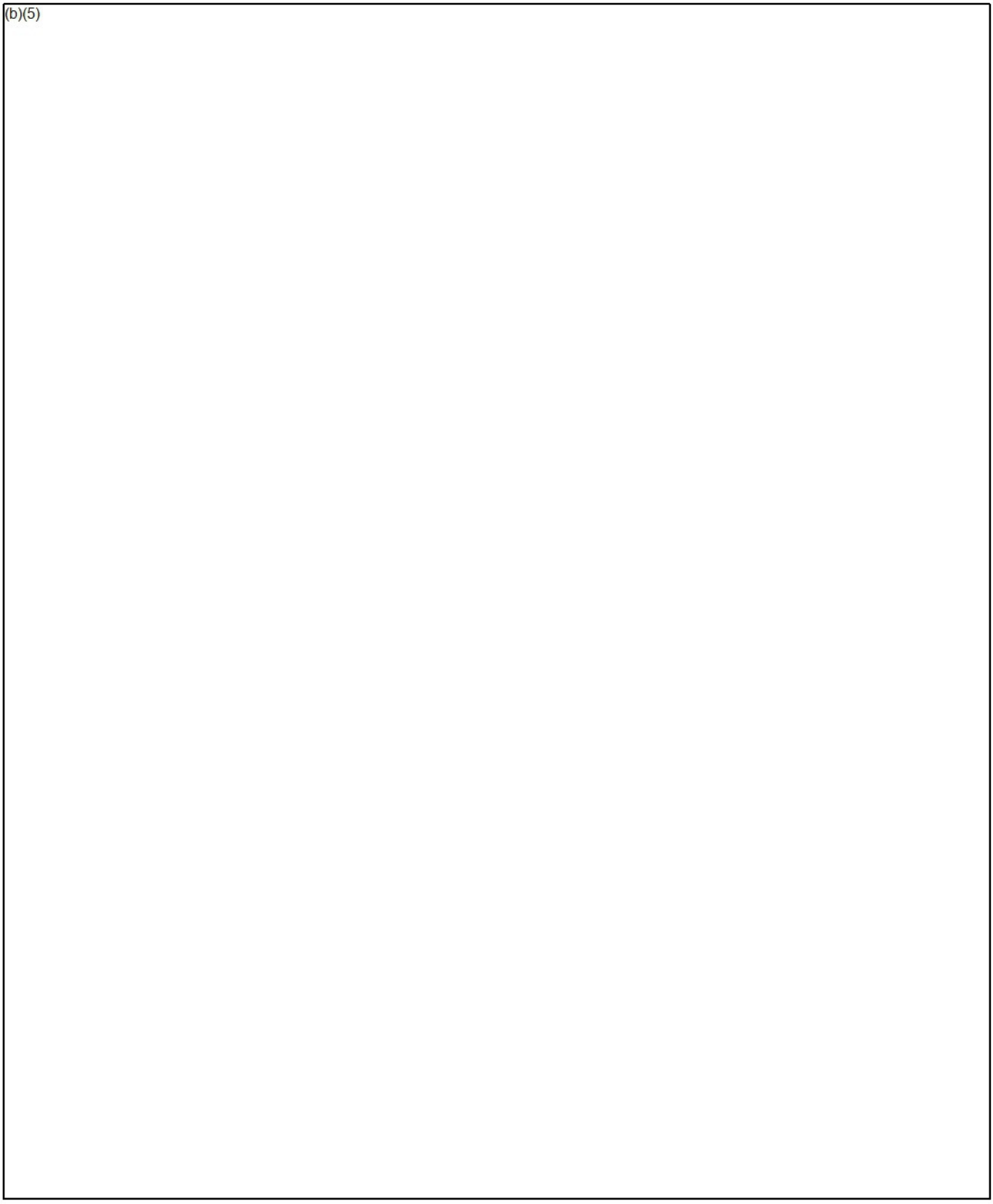
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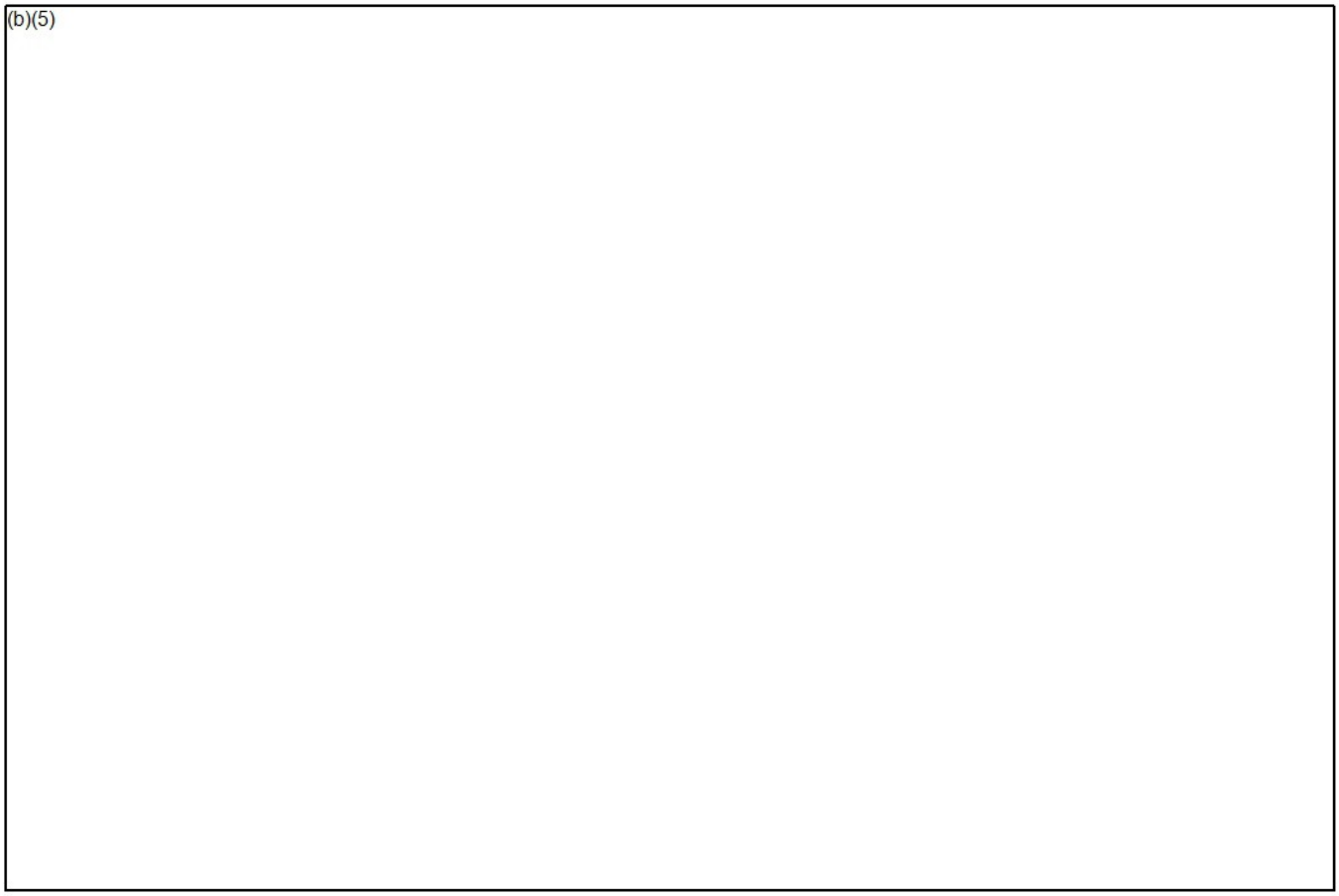

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(b)(5)

From: Bubel, Susan
Sent: 4 Feb 2015 10:31:58 -0600
To: Jackson, Lateata;Battle, Cynthia;Foss, Ian;Oldre, Lisa;Meadows, Kim
Subject: RE: CR 2785
Attachments: CR2785 Q&A_V01.xlsx

Sorry I'll try again with an attachment this times ☺

From: Bubel, Susan
Sent: Wednesday, February 04, 2015 11:30 AM
To: Jackson, Lateata; Battle, Cynthia; Foss, Ian; Oldre, Lisa; Meadows, Kim
Subject: RE: CR 2785

Here are the Q& A s with our responses based on yesterday's meeting. These are for internal use today and I will update to distribute to the servicers after the meeting today.
Thanks,
Sue

From: Bubel, Susan
Sent: Wednesday, February 04, 2015 9:09 AM
To: Jackson, Lateata
Cc: Battle, Cynthia; Foss, Ian; Oldre, Lisa; Meadows, Kim
Subject: RE: CR 2785

Updated list for Servicers.

From: Jackson, Lateata
Sent: Wednesday, February 04, 2015 8:56 AM
To: Bubel, Susan
Subject: RE: CR 2785

The I will send it out in about an hour as I have to drive into the office. I had a morning apt so I am going in late.

From: Bubel, Susan
Sent: Wednesday, February 04, 2015 8:55 AM
To: Jackson, Lateata
Subject: RE: CR 2785

Just finishing cleaning it up now. I'll have it to you in about 10 minutes

From: Jackson, Lateata
Sent: Wednesday, February 04, 2015 8:54 AM
To: Bubel, Susan
Subject: CR 2785

Good Morning,
Did you send the handout to me yet? Contractors are beginning to ask.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

#	Servicer	Topic	Req.	Clarification Questions	Response
1	Nelnet	**Neg Am Capping processing -vs- effective date**	5023	(b)(5)	
2	Aspire	**Neg Am Capping processing -vs- effective date**	5023		
3	Nelnet	**Neg Am Capping processing -vs- effective date**	5023.01		
4	Navient	**Neg Am Capping processing -vs- effective date**	5023.01		
5	Nelnet	**Neg Am Capping processing -vs- effective date**	5023.03		
6	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 1		
7	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 2		

#	Servicer	Topic	Req.	Clarification Questions	Response
8	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 8	(b)(5)	
9	Nelnet	**EA27 Changes**	5023		
10	Nelnet	**EA27 Changes**	General		
11	Nelnet	**IDR Capping ?'s**	5066		
12	Great Lakes	**IDR Capping ?'s**	5066.01		
13	Great Lakes	**IDR Capping ?'s**	5066.01		
14	Nelnet	**IDR Capping ?'s**	5072		
15	Great Lakes	**IDR Capping ?'s**	5072.01		
16	Navient	**IDR Capping ?'s**	General		
17	Navient	**IDR Capping ?'s**	General		
18	PHEAA	**IDR Capping ?'s**	Job Aid Example 8		

#	Servicer	Topic	Req.	Clarification Questions	Response
19	Great Lakes	**IDR Capping ?'s**	Job Aid P20	(b)(5)	
20	Nelnet	**Implementation Approach**	5065 (Job Aid Example 5)		
21	Aspire	**Implementation Approach**	General		
22	PHEAA	**Implementation Approach**	Implementation Plan		
23	Aspire	**Implementation Approach**	General		
24	Aspire	**Implementation Approach**	General		
25	Great Lakes	**Disaster Forb**	General		
26	Aspire	**Disaster Forb**	Job Aid		
27	MOHELA	**60-day Non-Capping**	Job Aid		
28	Aspire	**60-day Non-Capping**	Job Aid		

#	Servicer	Topic	Req.	Clarification Questions	Response
29	Great Lakes	**60-day Non-Capping**	Job Aid P3	(b)(5)	
30	Navient	**60-day Non-Capping**	Job Aid Example 3		
31	PHEAA	**60-day Non-Capping**	Job Aid Example 3		
32	Great Lakes	**60-day Non-Capping**	Job Aid P23 #9		

#	Servicer	Topic	Req.	Clarification Questions	Response
33	Nelnet	**Int Accrual/ Cap $**	Job Aid Example 4	(b)(5)	
34	Navient	**Int Accrual/ Cap $**	Job Aid Example 5		
35	Navient	**Int Accrual/ Cap $**	Job Aid Example 7		
36	Great Lakes	**Int Accrual/ Cap $**	Job Aid P7		
37	Nelnet	**Int Accrual/ Cap $**	Job Aid P7		
38	PHEAA	**Int Accrual/ Cap $**	Job Aid Question #15		
39	Aspire	**Int Accrual/ Cap $**	5065		
40	Nelnet	**Int Accrual/ Cap $**	5023.04 (Job Aid 1)		

#	Servicer	Topic	Req.	Clarification Questions	Response
1	Nelnet	Neg Am Capping pro	5023	(b)(5)	
2	Aspire	Neg Am Capping pro	5023		
3	Nelnet	Neg Am Capping pro	5023.01		
4	Navient	Neg Am Capping pro	5023.01		
5	Nelnet	Neg Am Capping pro	5023.03		
6	Navient	Neg Am Capping pro	Job Aid Example 1		
7	Navient	Neg Am Capping pro	Job Aid Example 2		
8	Navient	Neg Am Capping pro	Job Aid Example 8		
9	Nelnet	EA27 Changes	5023		
10	Nelnet	EA27 Changes	General		
11	Nelnet	IDR Capping ?'s	5066		
12	Great Lakes	IDR Capping ?'s	5066.01		
13	Great Lakes	IDR Capping ?'s	5066.01		
14	Nelnet	IDR Capping ?'s	5072		
15	Great Lakes	IDR Capping ?'s	5072.01		
16	Navient	IDR Capping ?'s	General		

17	Navient	IDR Capping ?'s	General
18	PHEAA	IDR Capping ?'s	Job Aid Example 8
19	Great Lakes	IDR Capping ?'s	Job Aid P20
20	Nelnet	Implementation App	5065 (Job Aid Example 5)
21	Aspire	Implementation App	General
22	PHEAA	Implementation App	Implementation Plan
23	Aspire	Implementation App	General
24	Aspire	Implementation App	General
25	Great Lakes	Disaster Forb	General
26	Aspire	Disaster Forb	Job Aid
27	MOHELA	60-day Non-Capping	Job Aid
28	Aspire	60-day Non-Capping	Job Aid
29	Great Lakes	60-day Non-Capping	Job Aid P3
30	Navient	60-day Non-Capping	Job Aid Example 3

(b)(5)

				(b)(5)
31	PHEAA	60-day Non-Capping	Job Aid Example 3	
32	Great Lakes	60-day Non-Capping	Job Aid P23 #9	
33	Nelnet	Int Accrual/ Cap $	Job Aid Example 4	
34	Navient	Int Accrual/ Cap $	Job Aid Example 5	
35	Navient	Int Accrual/ Cap $	Job Aid Example 7	
36	Great Lakes	Int Accrual/ Cap $	Job Aid P7	
37	Nelnet	Int Accrual/ Cap $	Job Aid P7	
38	PHEAA	Int Accrual/ Cap $	Job Aid Question #15	
39	Aspire	Int Accrual/ Cap $	5065	
40	Nelnet	Int Accrual/ Cap $	5023.04 (Job Aid 1)	

From: Jackson, Lateata
Sent: 4 Feb 2015 10:31:19 -0600
To: Bubel, Susan;Battle, Cynthia;Foss, Ian;Oldre, Lisa;Meadows, Kim
Subject: RE: CR 2785

Still need the attachment

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

PROUD SPONSOR of the AMERICAN MIND™

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

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Change Management Division
Federal Student Aid

U.S. Department of Education
desk - (202)377-3269
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Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: 4 Feb 2015 08:09:16 -0600
To: Jackson, Lateata
Cc: Battle, Cynthia;Foss, Ian;Oldre, Lisa;Meadows, Kim
Subject: RE: CR 2785
Attachments: Servicers' Questions for CR2785.xlsx

Updated list for Servicers.

From: Jackson, Lateata
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#	Servicer	Topic	Req.	Clarification Questions
1	Nelnet	**Neg Am Capping processing -vs- effective date**	5023	(b)(5)
2	Aspire	**Neg Am Capping processing -vs- effective date**	5023	
3	Nelnet	**Neg Am Capping processing -vs- effective date**	5023.01	
4	Navient	**Neg Am Capping processing -vs- effective date**	5023.01	
5	Nelnet	**Neg Am Capping processing -vs- effective date**	5023.03	
6	Navient	**Neg Am Capping processing -vs- effective date**	Job Aid Example 1	

Page 1683

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

#	Servicer	Topic	Req.	Clarification Questions
12	Great Lakes	**IDR Capping ?'s**	5066.01	(b)(5)
13	Great Lakes	**IDR Capping ?'s**	5066.01	
14	Nelnet	**IDR Capping ?'s**	5072	
15	Great Lakes	**IDR Capping ?'s**	5072.01	
16	Navient	**IDR Capping ?'s**	General	
17	Navient	**IDR Capping ?'s**	General	
18	PHEAA	**IDR Capping ?'s**	Job Aid Example 8	
19	Great Lakes	**IDR Capping ?'s**	Job Aid P20	

#	Servicer	Topic	Req.	Clarification Questions
20	Nelnet	**Implementation Approach**	5065 (Job Aid Example 5)	(b)(5)
21	Aspire	**Implementation Approach**	General	
22	PHEAA	**Implementation Approach**	Implementation Plan	
23	Aspire	**Implementation Approach**	General	
24	Aspire	**Implementation Approach**	General	
25	Great Lakes	**Disaster Forb**	General	
26	Aspire	**Disaster Forb**	Job Aid	

#	Servicer	Topic	Req.	Clarification Questions
27	MOHELA	**60-day Non-Capping**	Job Aid	(b)(5)
28	Aspire	**60-day Non-Capping**	Job Aid	
29	Great Lakes	**60-day Non-Capping**	Job Aid P3	
30	Navient	**60-day Non-Capping**	Job Aid Example 3	

#	Servicer	Topic	Req.	Clarification Questions
31	PHEAA	**60-day Non-Capping**	Job Aid Example 3	(b)(5)
32	Great Lakes	**60-day Non-Capping**	Job Aid P23 #9	
33	Nelnet	**Int Accrual/ Cap $**	Job Aid Example 4	

#	Servicer	Topic	Req.	Clarification Questions
34	Navient	**Int Accrual/ Cap $**	Job Aid Example 5	(b)(5)
35	Navient	**Int Accrual/ Cap $**	Job Aid Example 7	
36	Great Lakes	**Int Accrual/ Cap $**	Job Aid P7	
37	Nelnet	**Int Accrual/ Cap $**	Job Aid P7	
38	PHEAA	**Int Accrual/ Cap $**	Job Aid Question #15	
39	Aspire	**Int Accrual/ Cap $**	5065	

#	Servicer	Topic	Req.	Clarification Questions
40	Nelnet	**Int Accrual/ Cap $**	5023.04 (Job Aid 1)	(b)(5)

From: Jackson, Lateata
Sent: 30 Jun 2017 10:55:04 +0000
To: 'Kandis Jackson';CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: Brown, Lenny;Ratchford, Sabrina;Mahon, Karen;Reaves, Michelle;Allen, Heather;OSLA-CR;Andy Rogers;Bubel, Susan;Battle, Cynthia;Chialastri, Taneka
Subject: RE: CR 2785/3835 OSLA Artifacts
Attachments: CR 2785-CR 3835 OS 1 of 1 05-24-17 Artifacts.zip

FSA has the following comments to OSLA's artifacts:

OSLA:

- Letter**- 1509**: Looks like this is specific to ICR, if that is the case the second to the last paragraph is incorrect. There is not a cap if the borrower exits ICR or their payment is more than the monthly interest accrual.

- You provided samples for IBR, PAYE, and ICR, is there a REPAYE letter?

- Letter**- E15A 0026**: Can you explain why the data in the letter indicates the deferment ends on 08/24/21 but the next payment due date is not until 03/04/22?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Kandis Jackson [mailto:KJackson@osla.org]
Sent: Wednesday, May 24, 2017 4:03 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Brown, Lenny; Ratchford, Sabrina; Mahon, Karen; Reaves, Michelle; Allen, Heather; OSLA-CR; [redacted]
Subject: CR 2785/3835 OSLA Artifacts

(b)(4); (b)(6)

(b)(4); (b)(6)

Good Afternoon,

Attached are OSLA's artifacts for CR 2785/3835. OSLA doesn't have any artifacts that were previously submitted. The FSA assigned password was used to zip the files. Please let me know if you need anything else.

Thank you,

(b)(4); (b)(6)

Servicing System Analyst
Oklahoma Student Loan Authority
525 Central Park Dr., Ste. 600 (73105)
P.O. Box 18145 (73154)
Oklahoma City, OK
Phone: (b)(6)
Fax: (b)(6)
www.osla.org

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This transmission and any attachments may contain information that is privileged, confidential, legally privileged, and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of this message or attachment is strictly prohibited. If you received this transmission in error, please immediately contact the sender and destroy the material in its entirety, whether in electronic or hard copy format. Thank you.

From: (b)(4); (b)(6)
Sent: 12 May 2016 13:26:07 +0000
To: Bubel, Susan;Jackson, Lateata;Battle, Cynthia;Chialastri, Taneka;Foss, Ian
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Artifact Validation

Thank you for clarifying!

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Thursday, May 12, 2016 9:25 AM
To: (b)(4); (b)(6); Jackson, Lateata ; Battle, Cynthia ; Chialastri, Taneka ; Foss, Ian
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Artifact Validation

No need to make adjustments. Those numbers are not important for you folks to process. I just wanted to get the scenarios out and did not go back to clean up those figures.
Thanks,
Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@navient.com]
Sent: Thursday, May 12, 2016 6:37 AM
To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Artifact Validation

I apologize, 1 additional follow up item regarding the question about the Neg AM in row 11 on the Excel Spreadsheet.
You indicate below these are your notes on the EA27; however, if I look at scenario 10; borrower

Name	SSN	Award
Sherry Smith	900999805	900999805S05G39143001

The Excel Sheet list Neg Am in the amount of $212.49; however, in the EA27 file we received there is no Neg AM information in the file. Both fields: Record 14, Positions, 225-233 (Cumulative Neg Am Interest Cap) & 234-241 (Neg Am IRB) are zero. I would have anticipated an outstanding Neg AM amount to come in Record 14 / Position 234-241; the Neg AM IRB field.
We noticed this on a few of the scenarios. Should we manipulate the scenarios to have the outstanding Neg Am as it is represented in the Excel sheet?
Thank you
(b)(4); (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Wednesday, May 11, 2016 1:15 PM
To: (b)(4); (b)(6)@navient.com>; Jackson, Lateata <Lateata.Jackson@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>
Cc: (b)(4); (b)(6)@navient.com>; (b)(4); (b)(6)@navient.com>
Subject: RE: CR 2785 Artifact Validation

Please see responses below:

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@navient.com]
Sent: Thursday, April 28, 2016 10:01 PM
To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Artifact Validation

I apologize; I forgot one additional question:

(b)(5)

From: (b)(4); (b)(6)
Sent: Thursday, April 28, 2016 9:52 PM
To: Bubel, Susan (Susan.Bubel@ed.gov) <Susan.Bubel@ed.gov>; 'Jackson, Lateata' <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>
Subject: CR 2785 Artifact Validation

Good Evening,

We were reviewing the Capping Validation Scenarios Master Spreadsheet and have a few follow-up questions.

(b)(5)

(b)(5)

Thank you

(b)(4); (b)(6) PMP

Navient

This E-Mail has been scanned for viruses.

This E-Mail has been scanned for viruses.

From: Foss, Ian
Sent: 16 May 2016 17:44:17 +0000
To: Bubel, Susan;Battle, Cynthia;Chialastri, Taneka
Subject: RE: CR 2785 Artifact Validation

I think Great Lakes does it this way too.

From: Bubel, Susan
Sent: Monday, May 16, 2016 1:44 PM
To: Foss, Ian; Battle, Cynthia; Chialastri, Taneka
Subject: RE: CR 2785 Artifact Validation

Thanks ☺ I was a bit taken back when they indicated they did not offer reduced payment forbearances.

From: Foss, Ian
Sent: Monday, May 16, 2016 1:34 PM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: RE: CR 2785 Artifact Validation

It's fine.

The FFELP regulation says that the default form of forbearance is a complete cessation of payments unless the borrower requests a reduced payment or a longer time to make payment. We have long told servicers that they, when granting a forbearance and the borrower requests a reduced payment or an extension of time, that they could choose to hold the borrower delinquent or not when failing to make all or some of the reduced payment or making it on time. I think that all of them chose to not make the borrower delinquent. Therefore, there's no reason to specifically track whether a forbearance was, for example, a reduced-payment forbearance.

From: Bubel, Susan
Sent: Thursday, May 12, 2016 9:58 AM
To: Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: FW: CR 2785 Artifact Validation

How can this be ok?

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@navient.com]
Sent: Thursday, May 12, 2016 5:54 AM
To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Artifact Validation

Sue,

Thank you for the response. Per your question regarding RPF

(b)(5)

Thank you

(b)(4); (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Wednesday, May 11, 2016 1:15 PM
To: (b)(4); (b)(6)@navient.com>; Jackson, Lateata <Lateata.Jackson@ed.gov>;

Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>
Subject: RE: CR 2785 Artifact Validation

Please see responses below:

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, April 28, 2016 10:01 PM
To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Artifact Validation

I apologize; I forgot one additional question:

- There seems to have been approximately 10 additional SSN's in the EA27 file that are not referenced in the artifact scenarios. What will they be used for? They are for additional clarifications if necessary similar to REPAYE.

From: (b)(4); (b)(6)
Sent: Thursday, April 28, 2016 9:52 PM
To: Bubel, Susan (Susan.Bubel@ed.gov) <Susan.Bubel@ed.gov>; 'Jackson, Lateata' <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>
Subject: CR 2785 Artifact Validation

Good Evening,

We were reviewing the Capping Validation Scenarios Master Spreadsheet and have a few follow-up questions.

(b)(5)

(b)(5)

Thank you

(b)(4); (b)(6) PMP

Navient

This E-Mail has been scanned for viruses.

From: Battle, Cynthia
Sent: 19 Jan 2017 20:08:19 +0000
To: Bubel, Susan;Foss, Ian;Chialastri, Taneka;Jackson, Lateata
Subject: RE: CR 2785 Capping Walkthrough Preview

I think David is using my line. So we need to use the other one

-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, January 17, 2017 11:34 AM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Chialastri, Taneka; Jackson, Lateata
Subject: CR 2785 Capping Walkthrough Preview
When: Thursday, January 19, 2017 3:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Dial in : (b)(6) PC (b)(6)

I wanted to meet with you all prior to the CR 2785 Capping walkthroughs to discuss the approach and let you know of any items identified during the artifacts review. I'll send the overview prior to the meeting.

Conference: (b)(6)
Participant Code:

Thanks,

Sue

From: Bubel, Susan
Sent: 19 Jan 2017 19:09:04 +0000
To: Battle, Cynthia;Foss, Ian;Chialastri, Taneka;Jackson, Lateata
Subject: RE: CR 2785 Capping Walkthrough Preview
Attachments: PHEAA CR 2785 Validation Review_01232017 FSA Notes.docx

Here is the outline of Monday's walkthrough with PHEAA. I just want to go over the things I found and talk about how to address. Talk to you all in a bit.

Thanks,

Sue

-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, January 17, 2017 11:34 AM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Chialastri, Taneka; Jackson, Lateata
Subject: CR 2785 Capping Walkthrough Preview
When: Thursday, January 19, 2017 3:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Dial in : (b)(6) PC (b)(6)

I wanted to meet with you all prior to the CR 2785 Capping walkthroughs to discuss the approach and let you know of any items identified during the artifacts review. I'll send the overview prior to the meeting.

Conference:
Participant Code: (b)(6)

Thanks,

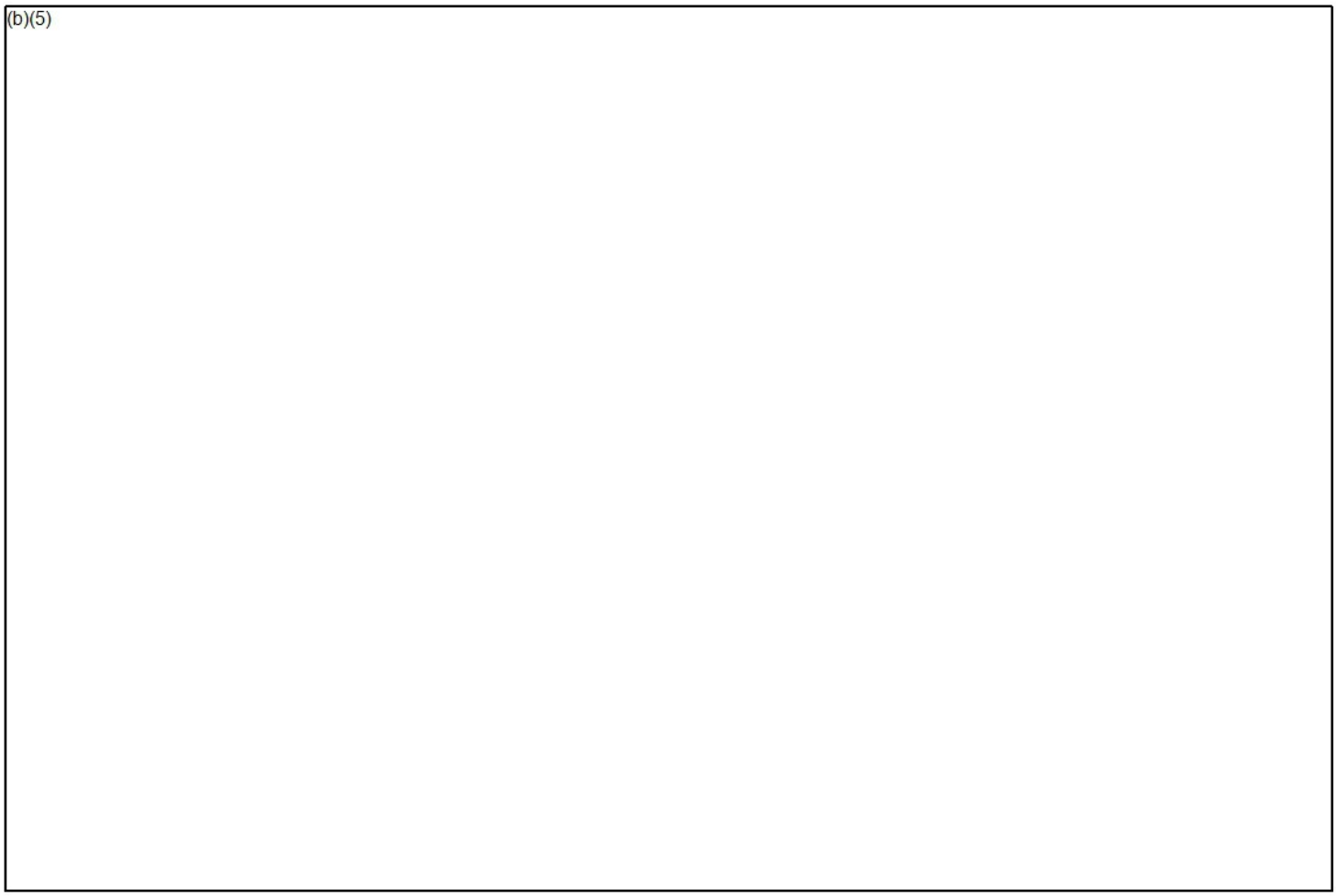
Sue

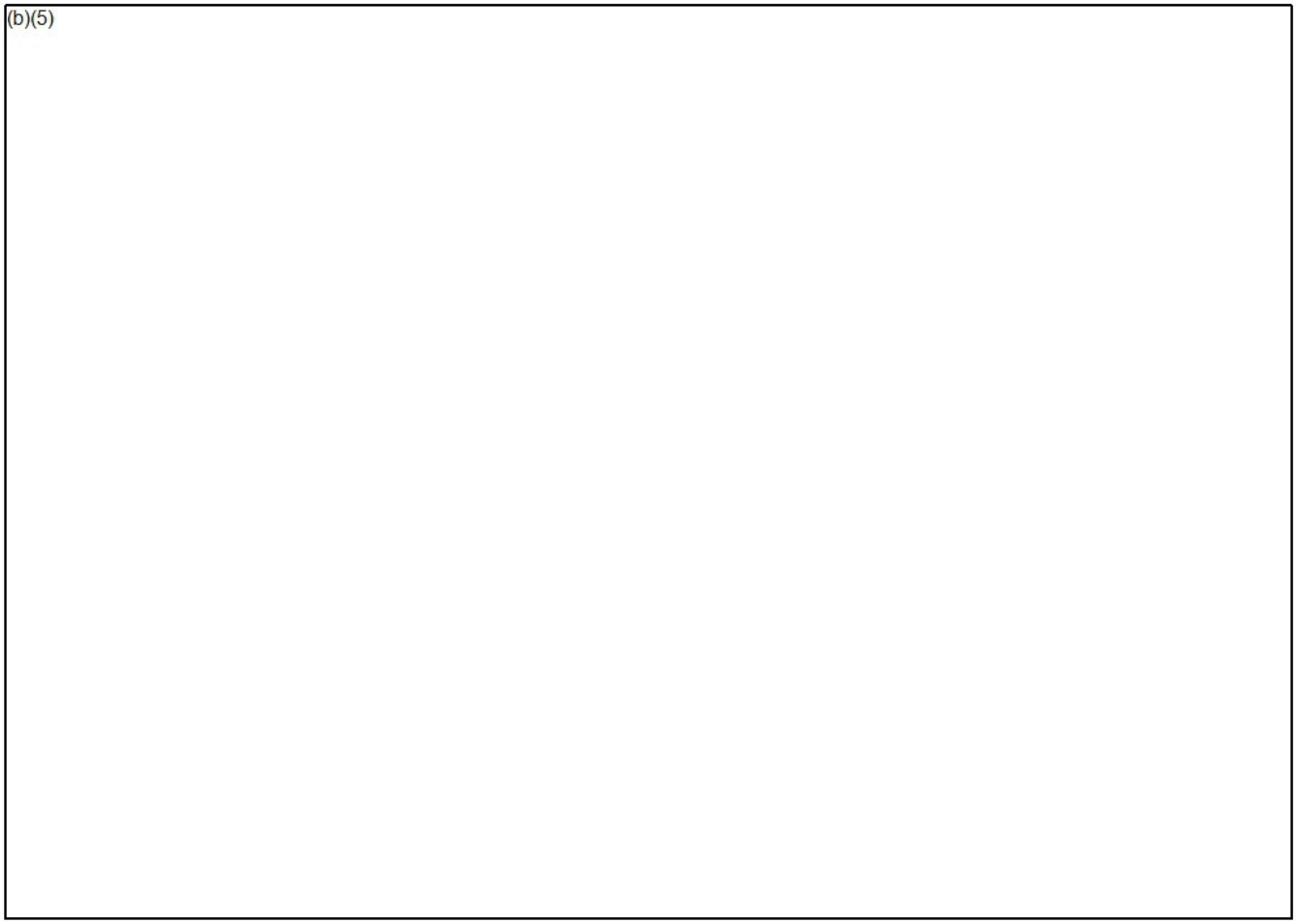
(b)(5)

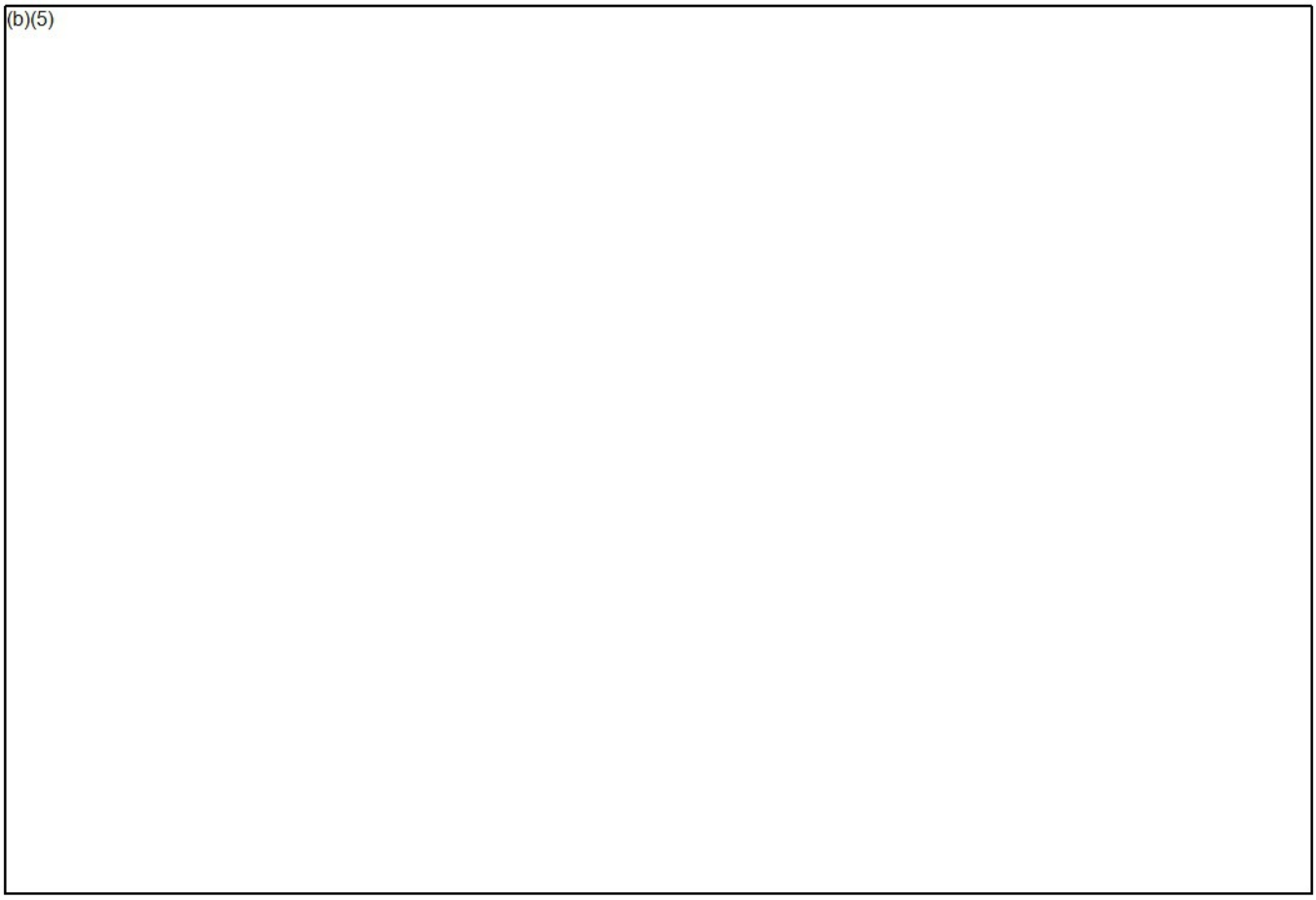
(b)(5)

(b)(5)

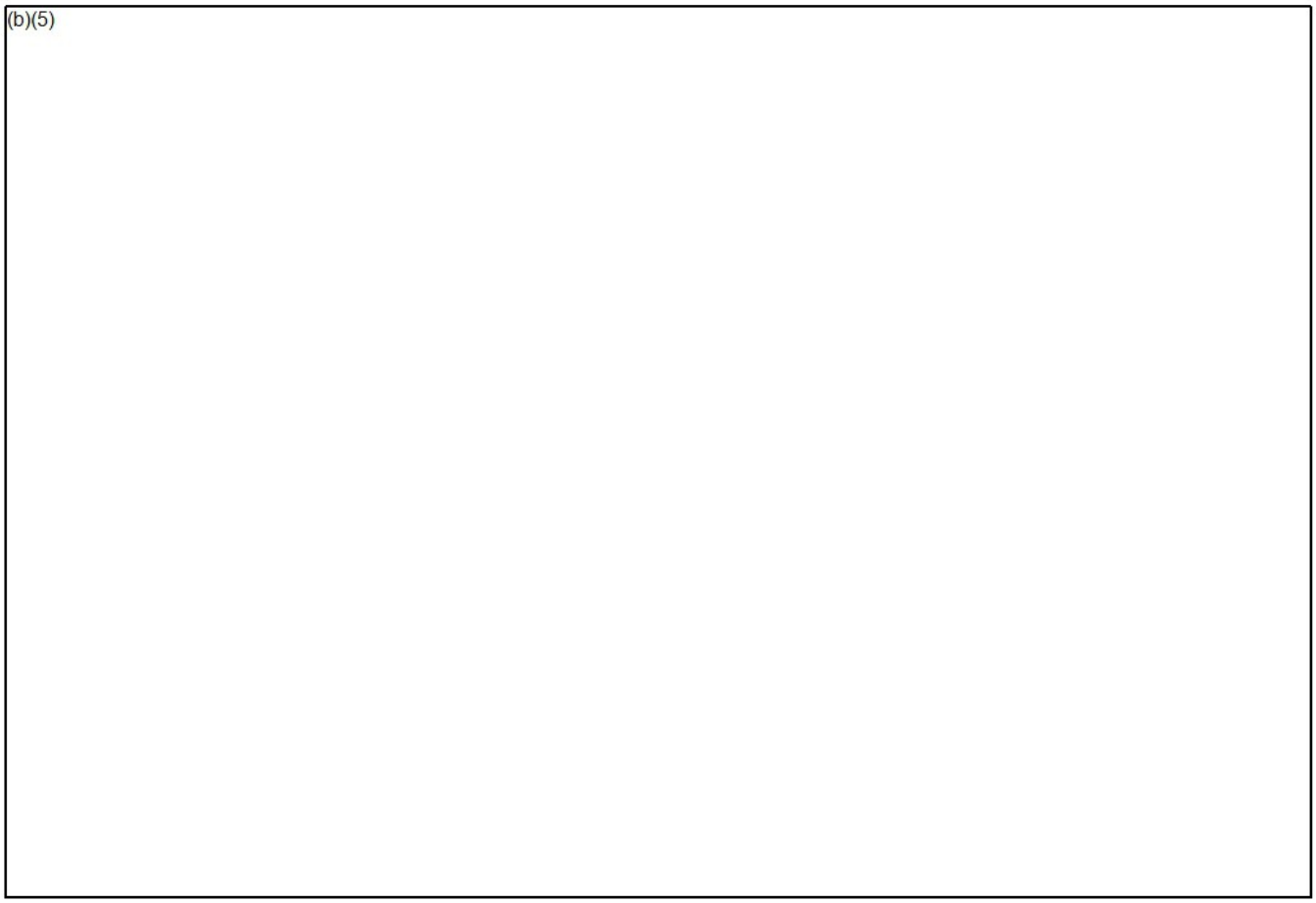
(b)(5)


(b)(5)

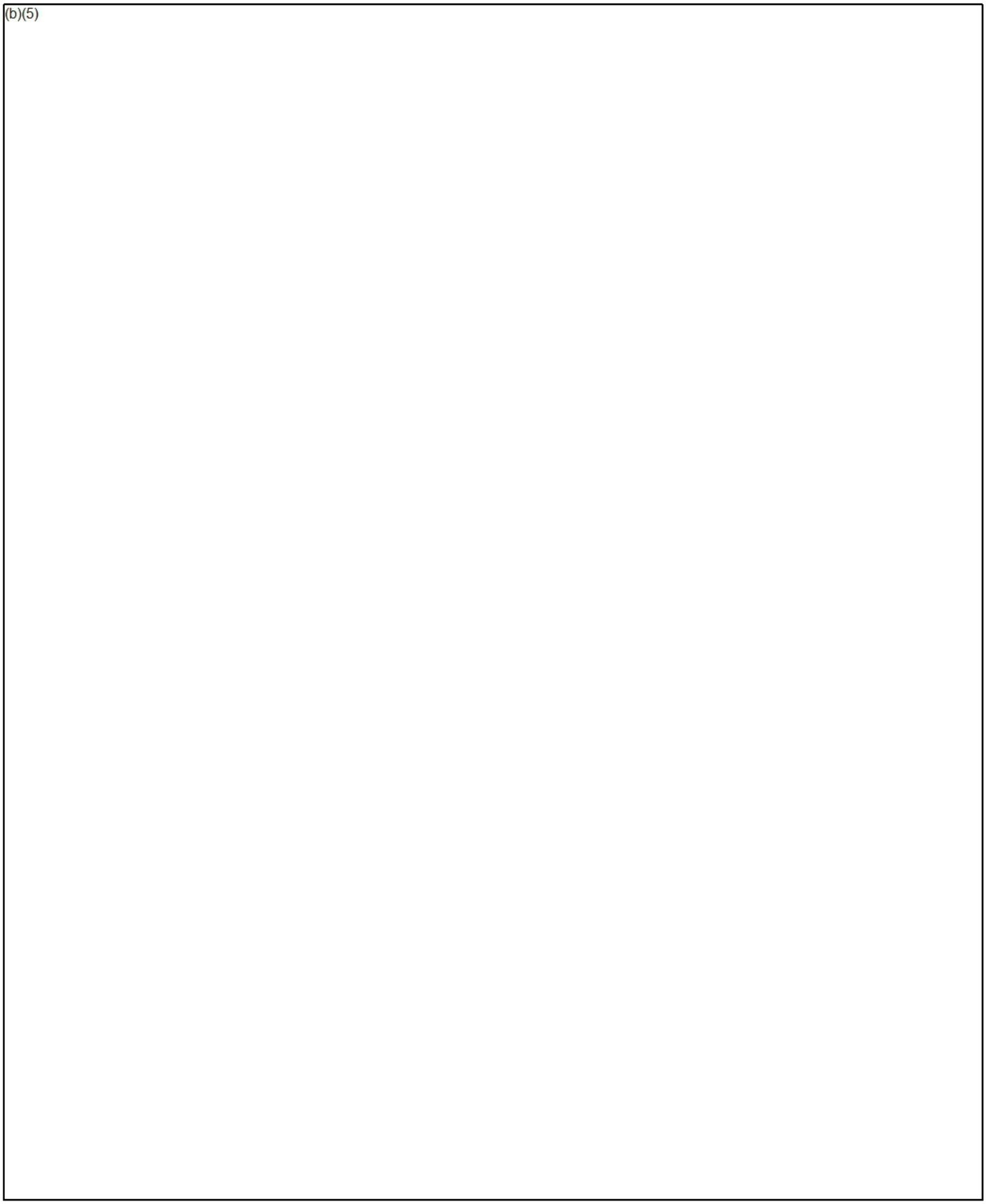

(b)(5)


(b)(5)

(b)(5)

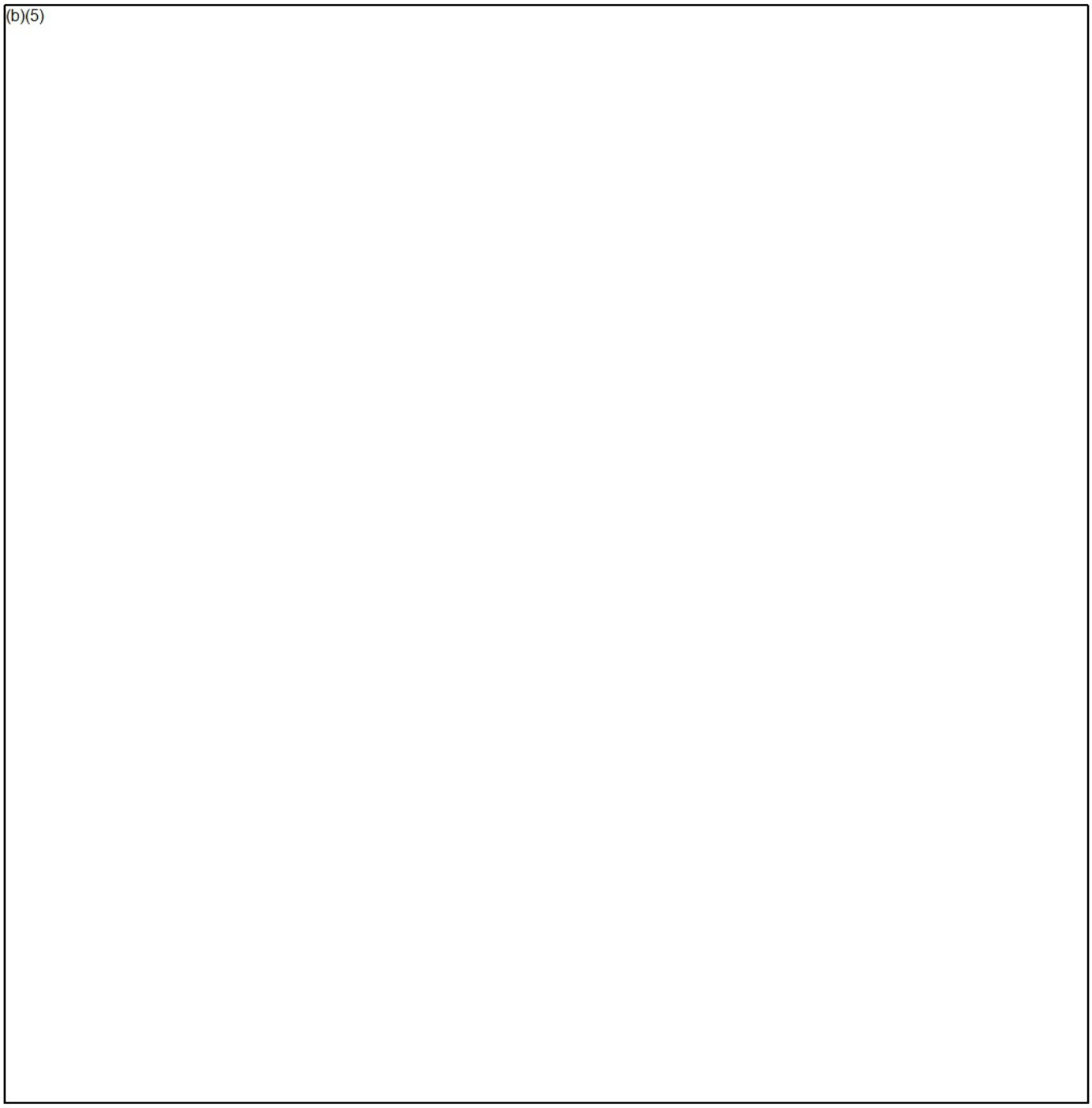

(b)(5)

(b)(5)


(b)(5)

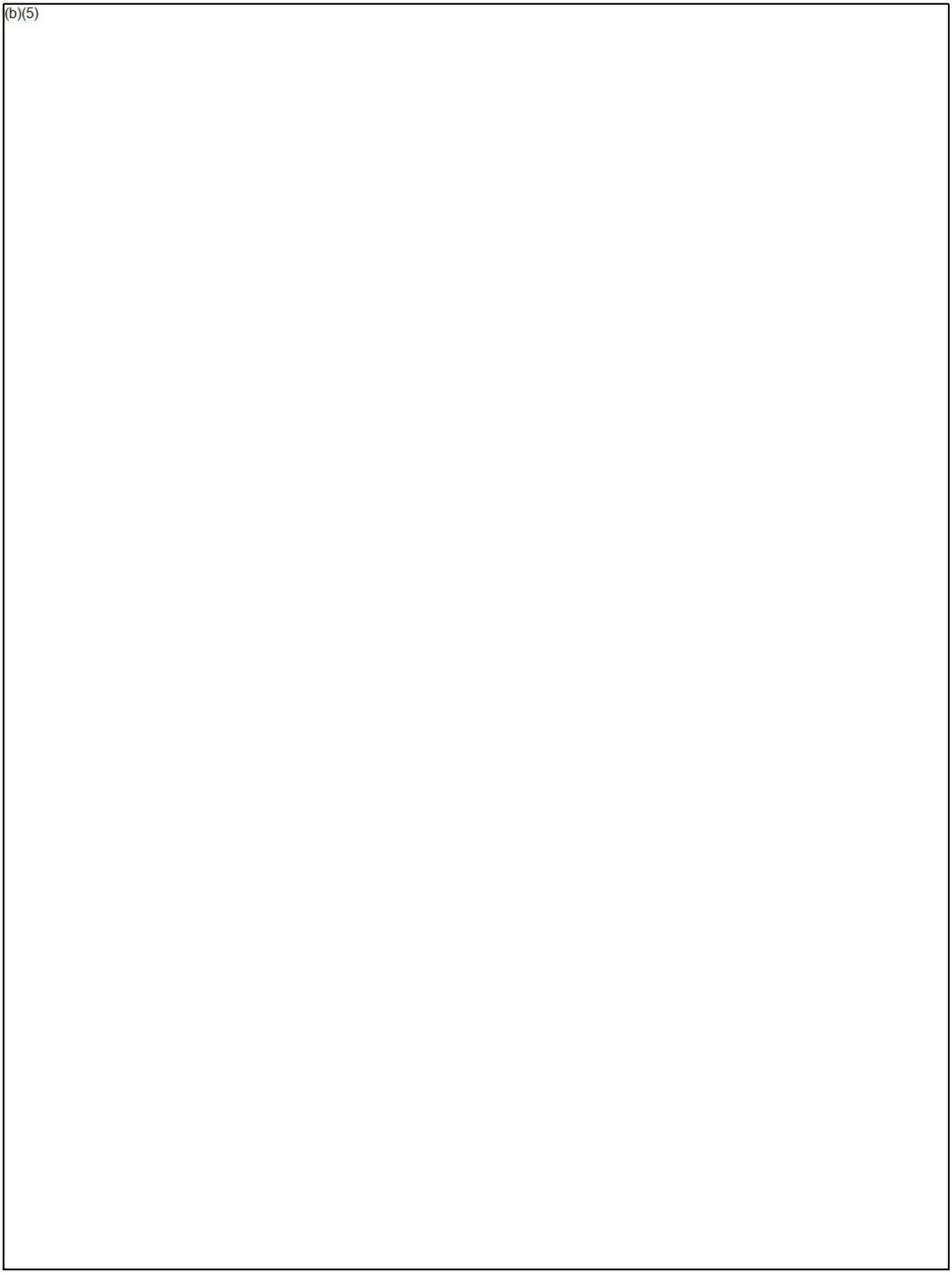
(b)(5)

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(b)(5)


(b)(5)

Page 1719

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

(b)(5)

(b)(5)

From: Foss, Ian
Sent: 17 Jan 2017 17:15:10 +0000
To: Bubel, Susan
Subject: Re: CR 2785 Capping Walkthrough Preview

That's right! If I stop by the statue, I'll be sure to send a picture!

On Jan 17, 2017, at 11:57, Bubel, Susan <Susan.Bubel@ed.gov> wrote:

> That's where (b)(6) right? Have fun!
>
> ---
>
> **From:** Foss, Ian
> **Sent:** Tuesday, January 17, 2017 11:46 AM
> **To:** Bubel, Susan
> **Subject:** Re: CR 2785 Capping Walkthrough Preview
>
> Haha. (b)(6) for a few days visiting family, and then headed (b)(6)
>
> On Jan 17, 2017, at 11:35, Bubel, Susan <Susan.Bubel@ed.gov> wrote:
>
> > (b)(6) Have fun don't break a limb
> >
> > -----Original Appointment-----
> > **From:** Foss, Ian
> > **Sent:** Tuesday, January 17, 2017 11:35 AM
> > **To:** Bubel, Susan
> > **Subject:** Declined: CR 2785 Capping Walkthrough Preview
> > **When:** Thursday, January 19, 2017 3:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
> > **Where:** Dial in : (b)(6) PC (b)(6)

From: Battle, Cynthia
Sent: 19 Jan 2017 20:08:20 +0000
To: Bubel, Susan;Foss, Ian;Chialastri, Taneka;Jackson, Lateata
Subject: RE: CR 2785 Capping Walkthrough Preview

Jennifer's line:
(b)(6)
Participant Passcode: (b)(6)
Leader Passcode: (b)(6)

-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, January 17, 2017 11:34 AM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Chialastri, Taneka; Jackson, Lateata
Subject: CR 2785 Capping Walkthrough Preview
When: Thursday, January 19, 2017 3:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Dial in : (b)(6) PC (b)(6)

I wanted to meet with you all prior to the CR 2785 Capping walkthroughs to discuss the approach and let you know of any items identified during the artifacts review. I'll send the overview prior to the meeting.

Conference:
Participant Code: (b)(6)

Thanks,

Sue

From: Bubel, Susan
Sent: 11 May 2017 17:09:07 +0000
To: CM_Validation;Yorkshire, Nikcola;Jackson, Lateata;Kim, Bora;Foss, Ian;Battle, Cynthia;Leavitt, Katharine
Subject: RE: CR 2785 Follow Up

So this is different than what PHEAA replied ☹

Still waiting for MOHELA's response

Thanks,

Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @mycornerstoneloan.org]
Sent: Thursday, May 11, 2017 1:07 PM
To: Bubel, Susan; (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Jackson, Lateata; Kim, Bora; Foss, Ian; Battle, Cynthia
Subject: RE: CR 2785 Follow Up

Yes we consider an RPF as a capping event.

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Thursday, May 11, 2017 8:36 AM
To: (b)(4); (b)(6) @mycornerstoneloan.org>; (b)(4); (b)(6) (b)(4); (b)(6) ycornerstoneloan.org>; CM_Validation <CM_Validation@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>
Subject: CR 2785 Follow Up

Good Morning,

I have a quick follow up question for you. Do you folks consider a Reduced Payment forbearance a capping event? At the end of the Reduced Payment forbearance do you folks cap the outstanding capable interest?

Thanks,

Sue

--

From: (b)(4); (b)(6)
Sent: 7 Feb 2017 19:25:59 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Subject: RE: CR 2785 NAV 1 of 4 - Artifacts - Phase 2

Navient-assigned password = (b)(6)

From: (b)(4); (b)(6)
Sent: Tuesday, February 07, 2017 2:25 PM
To: 'CM_Validation' <CM_Validation@ed.gov>; Jackson, Lateata (Lateata.Jackson@ed.gov) <Lateata.Jackson@ed.gov>; 'nikcola.yorkshire@ed.gov' <nikcola.yorkshire@ed.gov>; 'bora.kim@ed.gov' <bora.kim@ed.gov>; Foss, Ian (Ian.Foss@ed.gov) <Ian.Foss@ed.gov>; Battle, Cynthia (Cynthia.Battle@ed.gov) <Cynthia.Battle@ed.gov>; Chialastri, Taneka (Taneka.Chialastri@ed.gov) <Taneka.Chialastri@ed.gov>; Oldre, Lisa (Lisa.Oldre@ed.gov) <Lisa.Oldre@ed.gov>; Walsh, Mark (Mark.Walsh@ed.gov) <Mark.Walsh@ed.gov>; susan.bubel@ed.gov
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) (b)(4); (b)(6) @navient.com>
Subject: FW: CR 2785 NAV 1 of 4 - Artifacts - Phase 2

From: (b)(4); (b)(6)
Sent: Monday, February 06, 2017 5:09 PM
To: Jackson, Lateata (Lateata.Jackson@ed.gov) <Lateata.Jackson@ed.gov>; CM_Validation <CM_Validation@ed.gov>
Cc: Samuels, Shaun (Shaun.Samuels@ed.gov) <Shaun.Samuels@ed.gov>; Buendia, Mario (Mario.Buendia@ed.gov) <Mario.Buendia@ed.gov>; (b)(4); (b)(6) (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>
Subject: CR 2785 NAV 1 of 4 - Artifacts - Phase 2

Attached is the first of four emails with the Navient artifacts for CR 2785 phase 2. The Navient-assigned password will open the documents.

Let me know if you have any questions.

<< File: CR 2785 NAV 1 of 4 Artifacts Ph 2 - Scenario 02.zip >>

(b)(4); (b)(6)
Director, Change Management, Title IV Servicing
2001 Edmund Halley Drive, Reston, VA 20191
(b)(6)
(b)(4); (b)(6) @Navient.com
Navient.com

From: Bubel, Susan
Sent: 8 Feb 2017 14:59:03 +0000
To: Jackson, Lateata
Cc: Battle, Cynthia;Foss, Ian;Chialastri, Taneka
Subject: RE: CR 2785 NAV 4 of 4 - Artifacts - Phase 2
Importance: High

Can you ask Navient to re-send artifacts 1,4,5,6,7,8,10,12,13,14 and 15; unless you have them form spring/ summer 2016. Looks like these files only had 2,3,9, and 11.

Thanks,

Sue

From: Jackson, Lateata
Sent: Tuesday, February 7, 2017 2:40 PM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6)
Subject: RE: CR 2785 NAV 4 of 4 - Artifacts - Phase 2

Thanks Cheryl, we have them all now.,

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
PROUD SPONSOR of the AMERICAN MIND™

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Tuesday, February 07, 2017 2:30 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6)
Subject: FW: CR 2785 NAV 4 of 4 - Artifacts - Phase 2

From: (b)(4); (b)(6)
Sent: Monday, February 06, 2017 5:19 PM
To: Jackson, Lateata (Lateata.Jackson@ed.gov) <Lateata.Jackson@ed.gov>; 'CM_Validation' <CM_Validation@ed.gov>
Cc: Samuels, Shaun (Shaun.Samuels@ed.gov) <Shaun.Samuels@ed.gov>; Buendia, Mario

(Mario.Buendia@ed.gov) <Mario.Buendia@ed.gov>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>

Subject: CR 2785 NAV 4 of 4 - Artifacts - Phase 2

Attached is the fourth of four emails with the Navient artifacts for CR 2785 phase 2. The Navient-assigned password will open the documents.

Let me know if you have any questions.

(b)(4); (b)(6)
Director, Change Management, Title IV Servicing
2001 Edmund Halley Drive, Reston, VA 20191
(b)(4); (b)(6) @Navient.com
Navient.com

From: CM_Validation
Sent: 1 May 2017 13:25:26 +0000
To: Bubel, Susan;PHEAACRs;CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark
Cc: Samuels, Shaun;(b)(4); (b)(6)
Subject: RE: CR 2785 PH 3 of 4 - 2nd Implementation Artifacts
Attachments: CR 2785 PH 4 of 4 - 2nd Implementation Artifacts

Here it is Sue

From: Bubel, Susan
Sent: Monday, May 01, 2017 9:19 AM
To: PHEAACRs; CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark
Cc: Samuels, Shaun; Buendia, Mario;(b)(4); (b)(6)
Subject: RE: CR 2785 PH 3 of 4 - 2nd Implementation Artifacts

Looks like we only received 3 of the 4 files, Was the fourth sent and not received?

Thanks,

(b)(4); (b)(6)

Sue

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Friday, April 28, 2017 3:03 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: PHEAACRs; Samuels, Shaun; Buendia, Mario;(b)(4); (b)(6)
Subject: CR 2785 PH 3 of 4 - 2nd Implementation Artifacts

Attached please find PHEAA's Validation Artifacts for CR 2785 -1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 28 Apr 2017 15:03:54 -0400
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan
Cc: PHEAACRs;Samuels, Shaun;Buendia, Mario;(b)(4); (b)(6)
Subject: CR 2785 PH 4 of 4 - 2nd Implementation Artifacts
Attachments: 2785PH4of4.zip

Attached please find PHEAA's Validation Artifacts for CR 2785 -1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | o: (b)(6) | m: (b)(6)

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: Bubel, Susan
Sent: 18 Jan 2017 19:59:12 +0000
To: PHEAACRs;CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark
Subject: RE: CR 2785 PH 3 of 4 - Artifacts
Importance: High

I don't see that we received 4 of 4. Please send the fourth file ASAP.

Thanks,

(b)(4); (b)(6)

Sue

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Monday, January 16, 2017 11:51 AM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Subject: CR 2785 PH 3 of 4 - Artifacts

Attached please find PHEAA's Validation Artifacts for CR 2785 - 1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | o: (b)(6) | m: (b)(6)

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 18 Jan 2017 15:10:26 -0500
To: Bubel, Susan
Cc: Kim, Bora;CM_Validation;Battle, Cynthia;Foss, Ian;Jackson, Lateata (b)(4); (b)(6) Tessitore, Lisa;Walsh, Mark;Yorkshire, Nikcola;Chialastri, Taneka;PHEAACRs
Subject: Re: CR 2785 PH 4 of 4 - Artifacts
Attachments: PH2785 4of4.zip
Importance: High

Resending as requested. Please confirm receipt.

(b)(4); (b)(6)

Thank you

(b)(4); (b)(6)
@pheaa.org
Phone: (b)(6)

From: PHEAACRs/AES
To: CM_Validation@ed.gov, Lateata.Jackson@ed.gov, Nikcola.Yorkshire@ed.gov, Bora.Kim@ed.gov, Ian.Foss@ed.gov, Cynthia.Battle@ed.gov, Taneka.Chialastri@ed.gov, Lisa.Oldre@ed.gov, Mark.Walsh@ed.gov, Susan.Bubel@ed.gov
Date: 01/16/2017 11:55 AM
Subject: CR 2785 PH 4 of 4 - Artifacts
Sent by: (b)(4); (b)(6)

Attached please find PHEAA's Validation Artifacts for CR 2785 - 1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: Jackson, Lateata
Sent: 31 May 2017 12:48:37 +0000
To: (b)(4); (b)(6) CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina;Ratchford, Sabrina;Roberts, Sherika;(b)(4); (b)(6) (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Phase 2 & CR 3835 FSA Walkthrough
Attachments: FSA Comments on CR2785 Artifacts_052917.docx

Granite State,

Attached are questions we had for Nelnet specifically but we wanted to make sure you all are aware and are ready to address the same questions during your walkthrough.

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La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

(b)(4); (b)(6)

-----Original Appointment-----
From: (b)(4); (b)(6) [mailto: @gsmr.org]
Sent: Friday, February 03, 2017 10:58 AM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina; Ratchford, Sabrina; Roberts, Sherika; (b)(4); (b)(6) (b)(4); (b)(6)
Cc: (b)(4); (b)(6)
Subject: CR 2785 Phase 2 & CR 3835 FSA Walkthrough
When: Thursday, June 01, 2017 9:00 AM-12:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: GoTo Meeting

Good afternoon,

Please see below the Granite State conference line and GoTo meeting details for the CR2785/3835 live walkthrough on 6/1/2017.

Granite State CR2785/3835 Walkthrough

Date/Time: Thu, Jun 1, 2017 9:00 AM - 12:00 PM EDT

Please join my meeting from your computer, tablet or smartphone:
[]

Join the conference call using:

- Toll Free: (b)(6)
- Access Code: (b)(6)

First GoToMeeting? Try a test session: https://care.citrixonline.com/g2m/getready

Thank you,

(b)(4); (b)(6)
Business Systems Analyst II
Granite State Management & Resources
The NHHEAF Network Organizations
(b)(4); (b)(6)
3 Barrell Court
Concord, NH 03301
T. (b)(6)
F.
@gsmr.org
www.gsmr.org

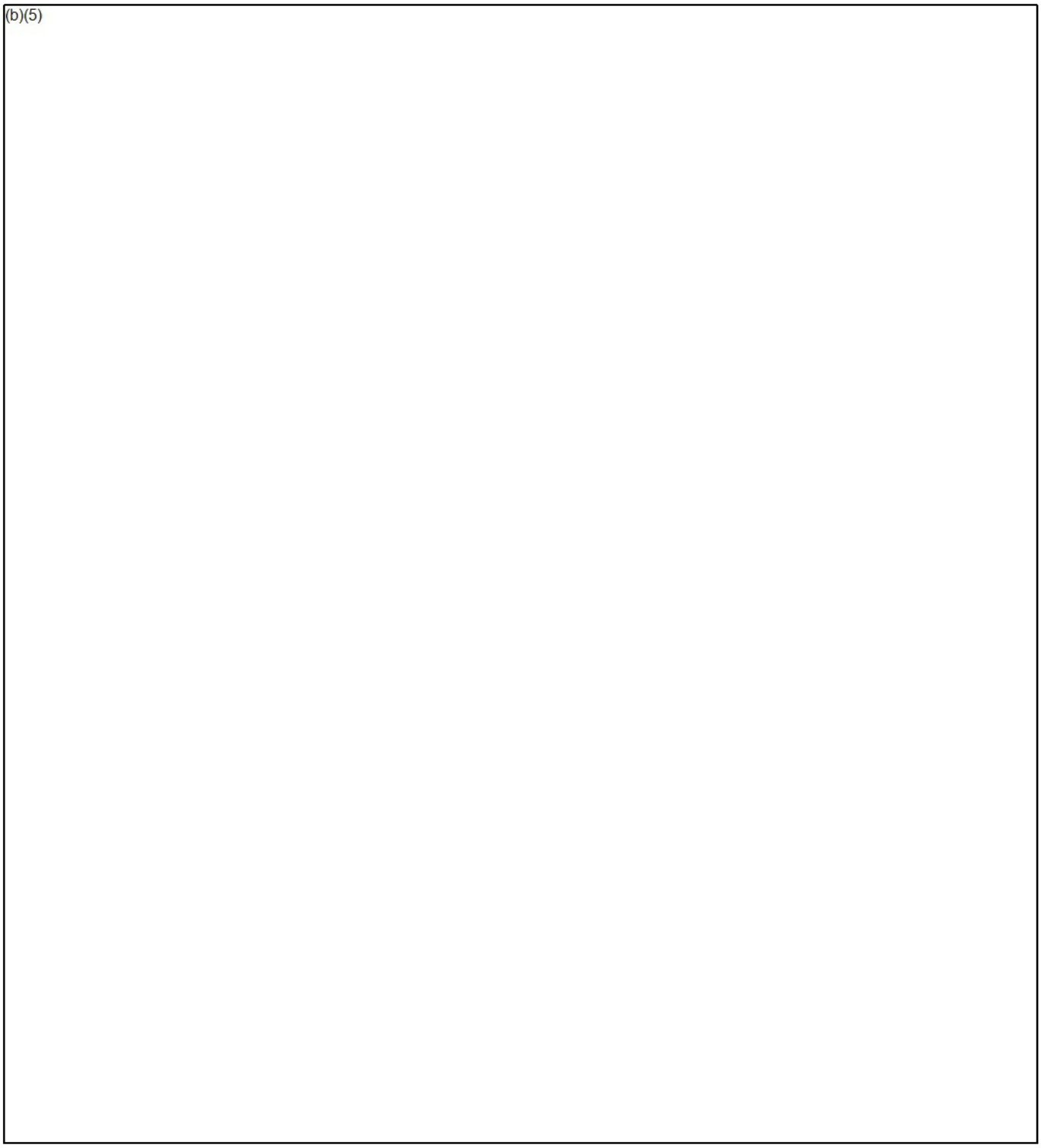
Good morning,

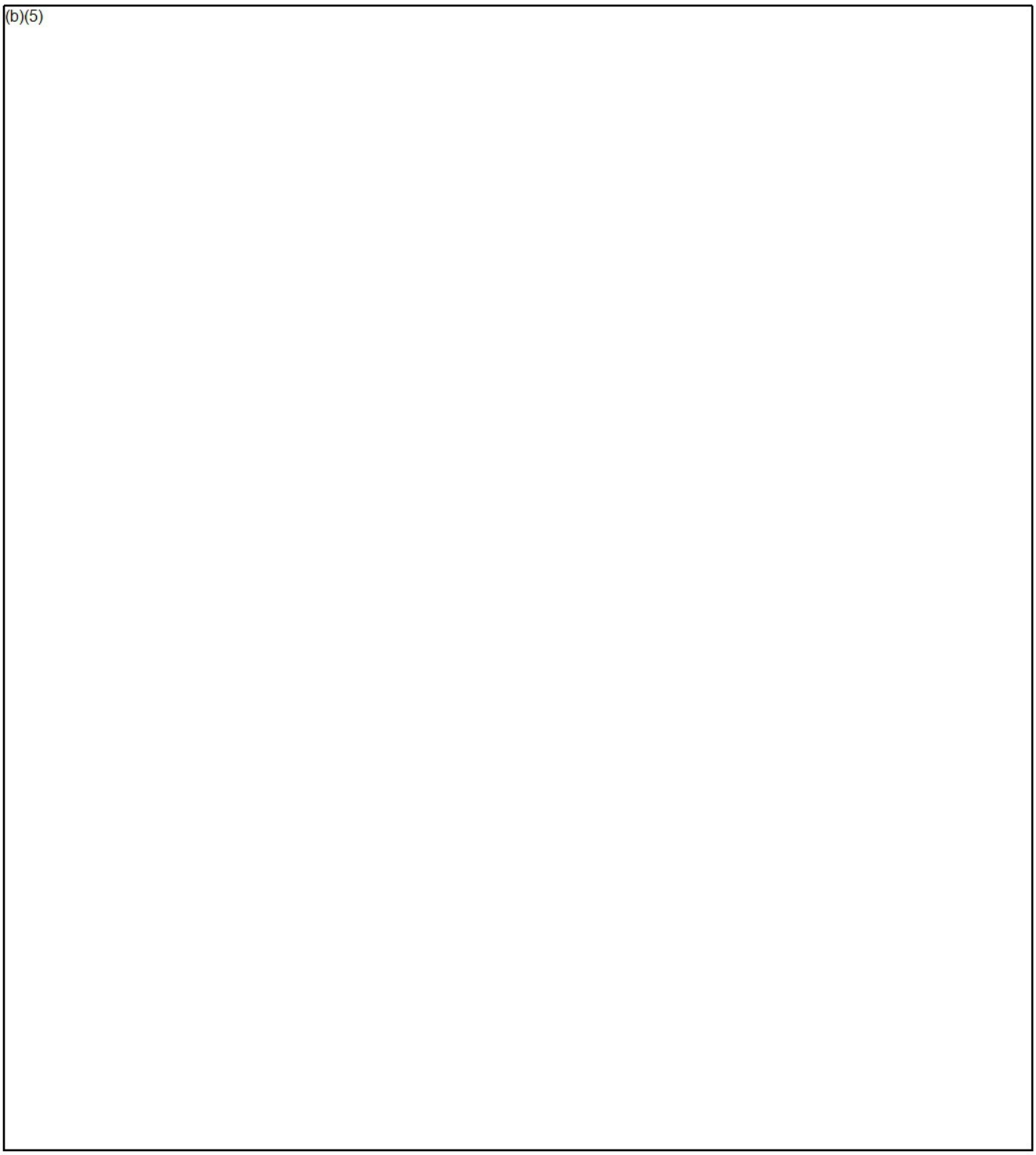
This meeting invite is being sent as a placeholder for the CR2785 Phase 2 and CR3835 FSA walkthrough on 6/1/2017. *GoTo Meeting* details will be provided prior to the meeting.

Thank you,
Kim

(b)(4); (b)(6)
Business Systems Analyst II
Granite State Management & Resources
The NHHEAF Network Organizations
(b)(4); (b)(6)
3 Barrell Court
Concord, NH 03301
T. (b)(6)
F.
@gsmr.org
www.gsmr.org

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please contact the sender by reply e-mail and destroy all copies of the original message.

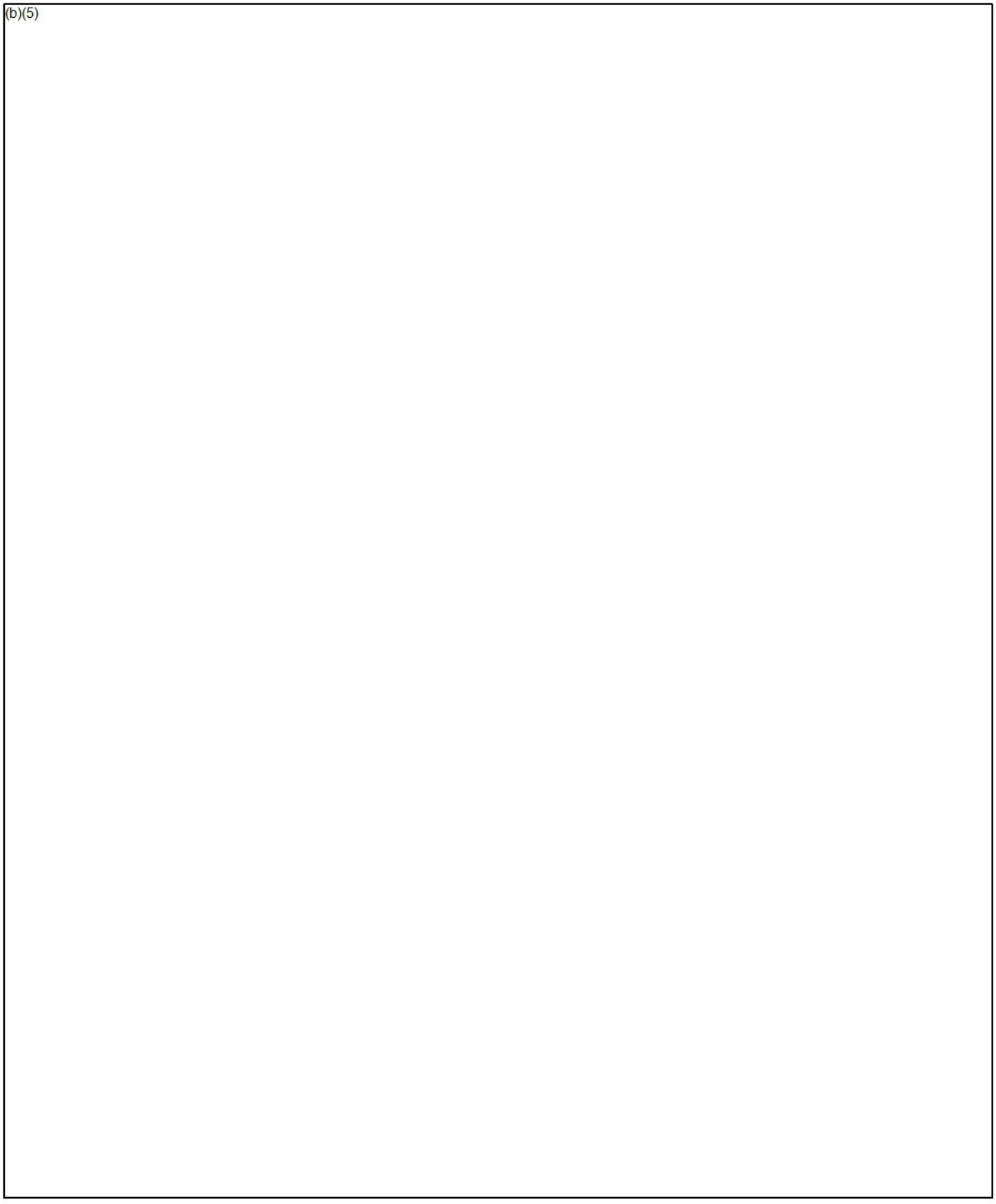

(b)(5)

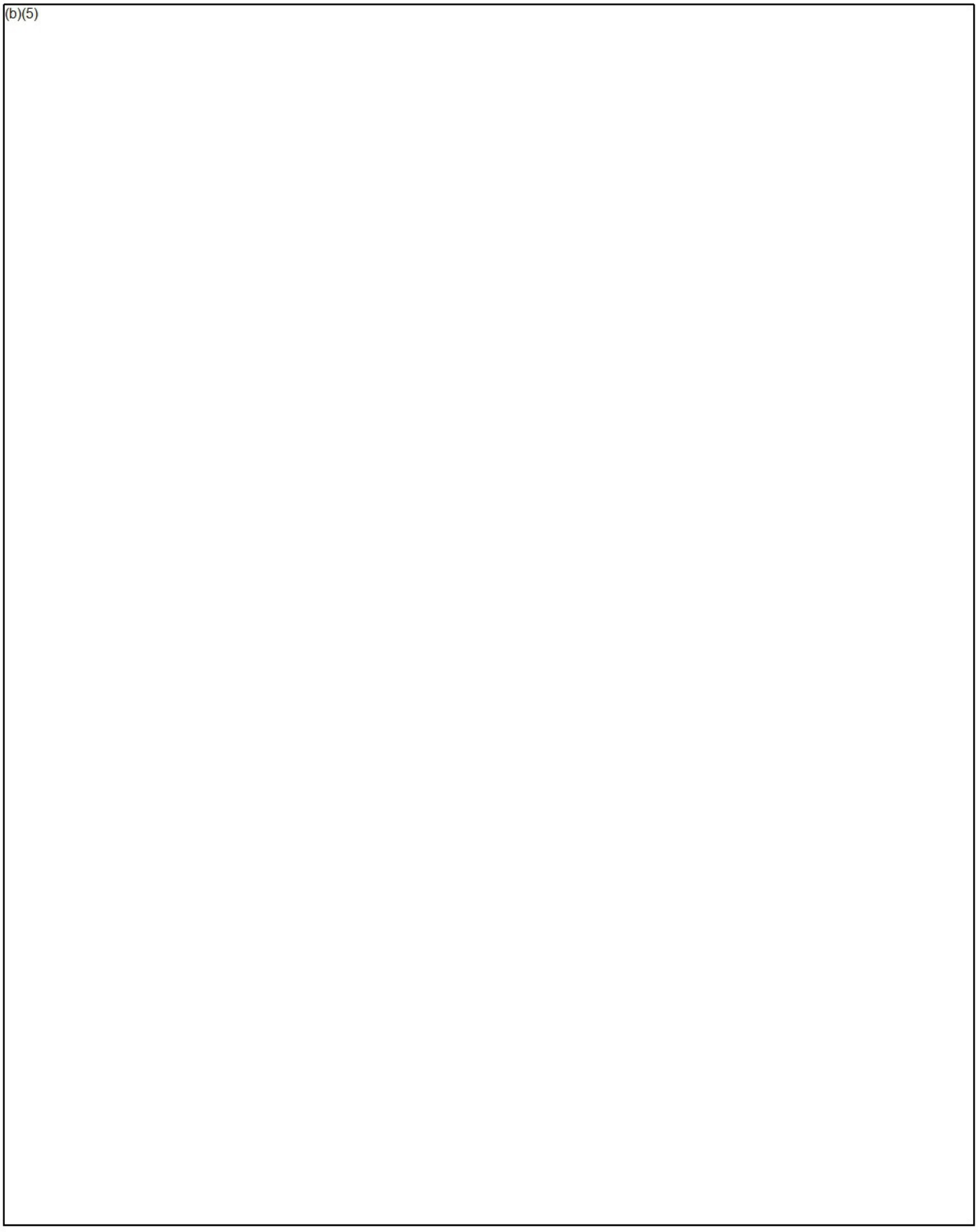

(b)(5)

(b)(5)

(b)(5)

(b)(5)

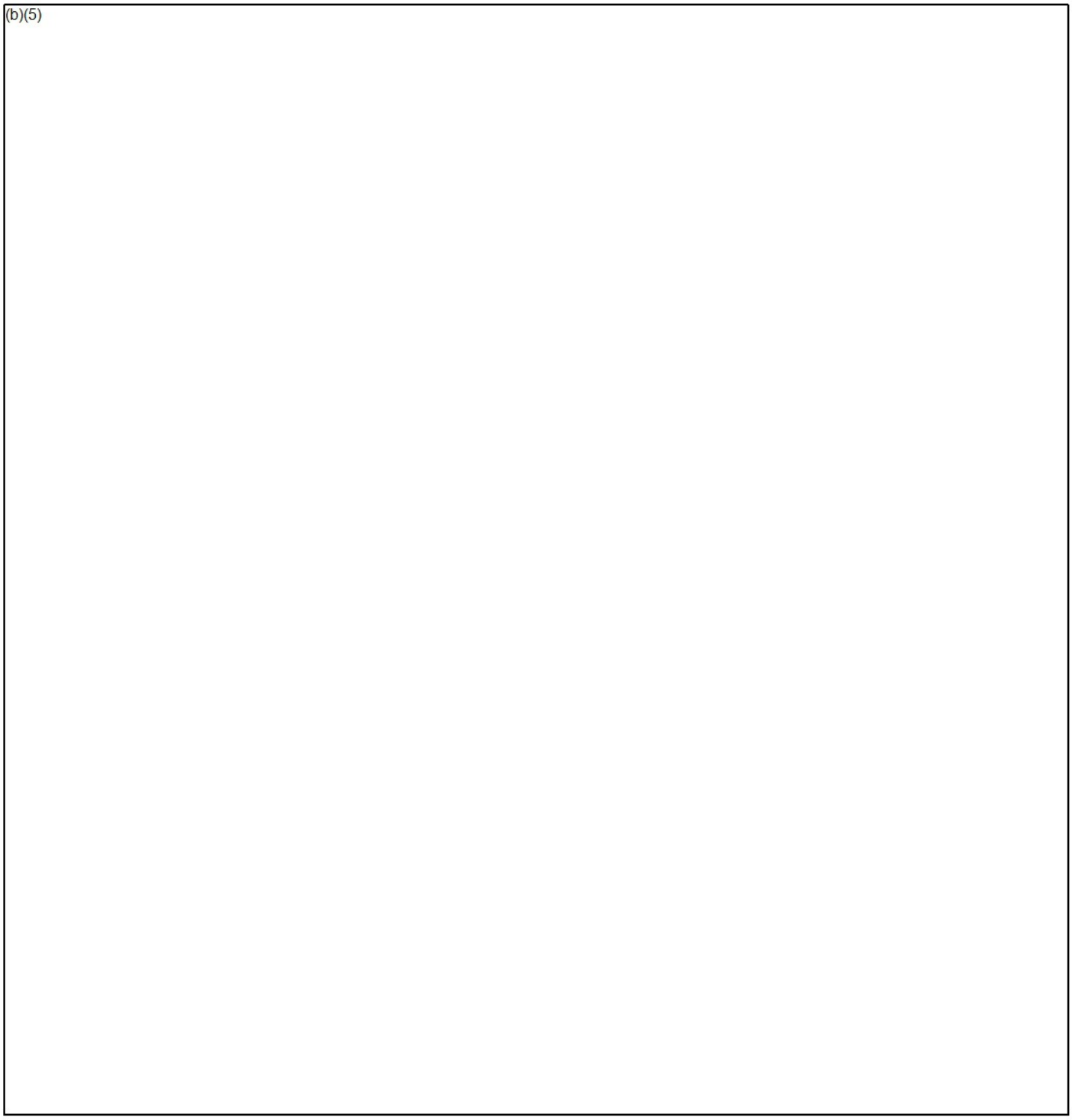

(b)(5)

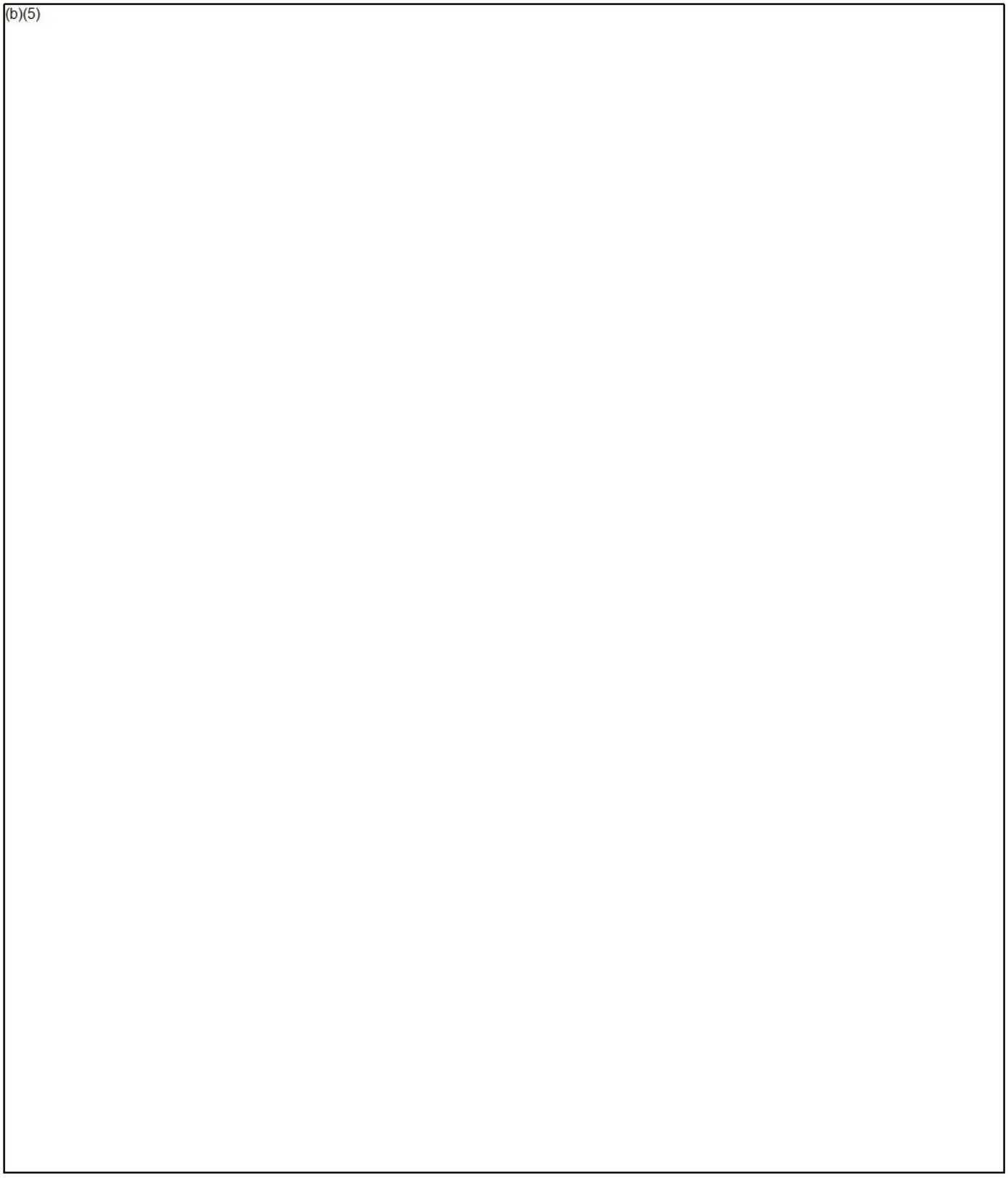

(b)(5)

(b)(5)

(b)(5)

(b)(5)


(b)(5)


(b)(5)

From: (b)(4); (b)(6)
Sent: 31 May 2017 13:29:58 +0000
To: Bubel, Susan;(b)(4); (b)(6) (b)(4); (b)(6) Jackson, Lateata;Yorkshire, Nikcola;(b)(4); (b)(6) Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Subject: RE: CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet
Attachments: Nelnet's Servicing Historical Report Guide - March 29 2017 v3.zip

Hello,

Here is a copy of Nelnet's Servicing Historical Report Guide that includes trans codes and borrower history code.

Thank you,

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

(b)(4); (b)(6)

From: (b)(4); (b)(6)
Sent: Wednesday, May 31, 2017 7:53 AM
To: 'Bubel, Susan' <Susan.Bubel@ed.gov>;(b)(4); (b)(6) @5280Solutions.com>; (b)(4); (b)(6) @5280Solutions.com>;(b)(4); (b)(6) @nelnet.net>;(b)(4); (b)(6) (b)(4); (b)(6) @nelnet.net>;(b)(4); (b)(6) @nelnet.net>;(b)(4); (b)(6) (b)(4); (b)(6) @nelnet.net>; Jackson, Lateata <Lateata.Jackson@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>;(b)(4); (b)(6) @nelnet.net>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <Mark.Walsh@ed.gov>; Leavitt, Katharine <Katharine.Leavitt@ed.gov>; Mitchell, Shayla <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Subject: RE: CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet

Good Morning,

Here is the call in number and the link to the webEx in the meeting.

(b)(6) (US Toll Free)
(US Toll)

Participant Access Code:
(b)(6)

To start or join the online portion of the meeting, go here:

https://join.nelnet.net/orion/joinmeeting.do?MeetingKey=999106707&PW=BgAAAGWB6TiL3thLOAov2e4HhWO-_000sBAAXmpMMgmJw7z2p6KpZmHeNt7t3L4NSAfuIMylNicvBrIs_MKB_4MUbT7J

Thank you,

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

(b)(4); (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Tuesday, May 30, 2017 7:17 PM
To: (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) @5280Solutions.com>; (b)(4); (b)(6) @5280Solutions.com>; (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) (b)(4); (b)(6) @nelnet.net>; Jackson, Lateata <Lateata.Jackson@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; (b)(4); (b)(6) @nelnet.net>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <Mark.Walsh@ed.gov>; Leavitt, Katharine <Katharine.Leavitt@ed.gov>; Mitchell, Shayla <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Subject: RE: CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet

Good Evening,

Sorry these are so late but I just finished reviewing. Talk to you all in the morning. Please send the dial in number /Web Ex meeting information.

Sue

-----Original Appointment-----
From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Wednesday, February 01, 2017 4:03 PM
To: (b)(4); (b)(6) (b)(4); Jackson, Lateata; Yorkshire, Nikcola; (b)(4); (b)(6) Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Subject: CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet
When: Wednesday, May 31, 2017 8:00 AM-11:00 AM (UTC-06:00) Central Time (US & Canada).
Where: See call in - LIN- Ford Room

Hello,

Reserving time for Nelnet's walkthrough for CR 2785 and CR 3835.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) @Nelnet.net
nelnet.com

DO NOT DELETE OR CHANGE ANY OF THE TEXT BELOW THIS LINE

(b)(4); (b)(6) has scheduled this WebEx Personal Conference meeting.

CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet
Host: (b)(4); (b)(6)

Audio Connection

(b)(6)
(US Toll Free)
(US Toll)

Participant Access Code:
(b)(6)

When prompted, enter the access code for the audio portion of the Personal Conference meeting.

To start or join the online portion of the meeting, go here:
https://join.nelnet.net/orion/joinmeeting.do?MeetingKey=999106707&PW=BgAAAGWB6TiL3thLOAov2e4HhWO-_000sBAAXmpMMgmJw7z2p6KpZmHeNt7t3L4NSAfuIMylNicvBrls_MKB_4MUbT7J

Online Access Information

Meeting Number: (b)(6)
Meeting Password: (b)(6)

Hosts, need your host access code or key? Go to the Personal Conference meeting information page:
https://join.nelnet.net/orion/meeting/meetingInfo?MeetingKey=999106707&PW=BgAAAGWN2infJd5A9a2hKNayXwDia0BtP6ZavNzZtQ3ObV56UfiOdyHXb5WF5jynEFV-Z_r0a5CMhuyxEBi2abqQN5Ak

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NeInet Servicing

Historical Report Guide

Updated 03/29/17

Purpose/Specifications

This report is generated from the PUT Primary Control screen when the X=Image option is selected. This report contains the historical data for a PUT.

The report includes the following sections:

- PUT Historical Form
- Borrower History
- Monetary History
- Deferment/Forbearance History

PUT Historical Form

Summary of information about the borrower and the loan for which the PUT historical package is printed.



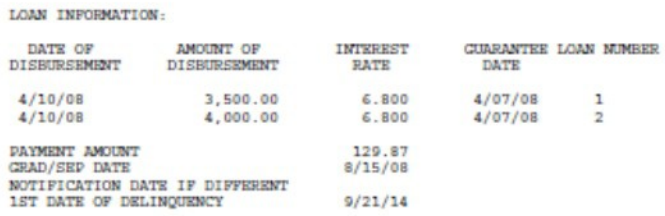
SSN: Borrower's social security number.

Lender: Lender ID of the lender for the group.

Name: Borrower's name: last, first, middle initial.

Address: Borrower's address, city, state, and ZIP code.

LOAN INFORMATION:



Date of Disbursement: Date of first disbursement for the loan.

Amount of Disbursement: Amount of all disbursements for the loan.

Interest Rate: Interest rate for the loan.

Guarantee Date: Date the loan was guaranteed by the guarantee agency.

Loan Number: Nelnet assigned loan number.

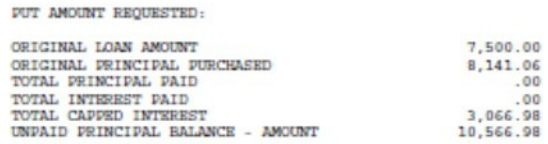
Group Payment Amount: Monthly payment amount for the group. Loans are grouped by type and interest rate.

Grad/Sep Date: Graduation or Separation date.

Notification Date If Different: Date the lender was notified that the student was no longer in school, if different from the graduation/separation date.

1st Date of Delinquency: Current due date for the group.

PUT AMOUNT REQUESTED:



PUT AMOUNT REQUESTED:

ORIGINAL LOAN AMOUNT	7,500.00
ORIGINAL PRINCIPAL PURCHASED	8,141.06
TOTAL PRINCIPAL PAID	.00
TOTAL INTEREST PAID	.00
TOTAL CAPPED INTEREST	3,066.98
UNPAID PRINCIPAL BALANCE - AMOUNT	10,566.98

Original Loan Amount: Original loan amount.

Original Principal Purchased: Original principal purchased.

Total Principal Paid: Total principal paid to date.

Total Interest Paid: Total interest paid to date.

Total Capped Interest: Total interest capped to date.

Unpaid Principal Balance - Amount: Current principal outstanding.

Borrower History

Lists non-monetary history for the borrower (all groups).

BORROWER HISTORY

BORROWER: [redacted], TISHA

GROUP	DATE	TIME	HIST CODE	TYPE	TEXT	USER ID	PROGRAM ID	ENDORSER NUMBER	SKP TRC
A	5/18/10	22:56:12	61A	L	#0157 - ACS TO NELNET SERVICE TRAN LTR		SLEEUPK	0	
A	5/18/10	22:56:12	6DL	L	LTR#1613 60-DAY DELINQUENCY NOTICE	BMP	SLEEUPK	0	
	5/18/10	23:34:36	GLB		Privacy Letter Generated	EDBATCH		0	
	5/20/10	0:24:50	ACD	B	LETTER PRINTED (P) 1613	SLSWEB-OP	NBFDBUPR	0	
	5/20/10	0:28:29	ACD	B	LETTER PRINTED (P) 0157	SLSWEB-OP	NBFDBUPR	0	
	5/20/10	8:25:37	165	B	CTB, ATTEMPTED TO LEAVE MSG TO CALL	EDBATCH	SLVZXFK	0	
A	5/24/10	13:53:34	S11	L	PASTDUE DILIGENCE STATEMENT SENT POR BOR		SLFAUPK	0	
B	5/24/10	13:53:35	S11	L	PASTDUE DILIGENCE STATEMENT SENT POR BOR		SLFAUPK	0	
A	5/25/10	5:06:06	N07	D	DISC OF GROUP "A",CUR DUE DTE:03/14/10,SCHD DUE DTE:07/14/10	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N07	D	RPY ST DTE 02/16/09,RPY DUE DTE 03/14/09,CUR PRIN 3,623.33	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N07	D	LNS: 1	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N07	D	41.69 POR 4 PMTS. STARTING 03/14/10	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N07	D	41.69 POR 115 PMTS. STARTING 07/14/10	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N07	D	35.59 POR 1 PMTS. STARTING 02/14/20	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N0S	D	DISCLOSURE PRINTED FOR GROUP 'A' (N)	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	DISC OF GROUP "B",CUR DUE DTE:03/14/10,SCHD DUE DTE:07/14/10	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	RPY ST DTE 02/16/09,RPY DUE DTE 03/14/09,CUR PRIN 4,517.73	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	LNS: 2	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	52.00 POR 4 PMTS. STARTING 03/14/10	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	52.00 POR 115 PMTS. STARTING 07/14/10	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	41.11 POR 1 PMTS. STARTING 02/14/20	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N0S	D	DISCLOSURE PRINTED FOR GROUP 'B' (N)	EDBATCH	SLHYUPK	0	
	5/26/10	1:11:45	ACD	B	STATEMENT CREATED (P) for Acct 815020548	SLSWEB-OP	NBFDBUPR	0	
	5/27/10	0:18:11	ACD	B	LETTER PRINTED (P)	SLSWEB-OP	NBFDBUPR	0	
	6/07/10	15:30:43	165	B	CTB, ATTEMPTED TO LEAVE MSG TO CALL	EDBATCH	SLVZXFK	0	
A	6/21/10	18:09:37	C99	L	A099 B099	EDBATCH	SLX0XFK	0	
A	6/21/10	18:09:37	C99	L	LN=1, S&C=80, PMT=42, APD=125, TT=1, DLA=02/16/09.	EDBATCH	SLX0XFK	0	
B	6/21/10	18:09:37	C99	L	LN=2, S&C=80, PMT=52, APD=156, TT=1, DLA=02/16/09.	EDBATCH	SLX0XFK	0	
A	6/23/10	11:14:41	S11	L	PASTDUE DILIGENCE STATEMENT SENT POR BOR		SLFAUPK	0	
B	6/23/10	11:14:42	S11	L	PASTDUE DILIGENCE STATEMENT SENT POR BOR		SLFAUPK	0	
	6/23/10	11:53:40	165	B	CTB, ATTEMPTED TO LEAVE MSG TO CALL	EDBATCH	SLVZXFK	0	
	6/25/10	0:03:22	ACD	B	STATEMENT CREATED (P) for Acct 815020548	SLSWEB-OP	NBFDBUPR	0	
	7/12/10	12:37:33	300	T	CTB, VERIFY REFS AND SOC, DATE OF BIRTH WRONG, ADV SUBMIT	ARTIVAJYB	SLXQXDK	0	
	7/12/10	12:37:33	300	T	PPWRK, ADV PD, EXHAUST POS, BORR STATE IN SCHOOL, UNABLE TO	ARTIVAJYB	SLXQXDK	0	
	7/12/10	12:37:33	300	T	VERIFY, ADV SEND DOCS TO VERIFY, BORR REQ VERB FORB, APPLY	ARTIVAJYB	SLXQXDK	0	
	7/12/10	12:37:33	300	T	VERB FORB, VAPNE	ARTIVAJYB	SLXQXDK	0	
	7/12/10	12:38:47	288	B	CTB, BORR REQ VRBL FORB	EDBATCH	SLVZXFK	0	
	7/12/10	13:35:42	276	T	A120 B120	JBUSS9	SLKNE1K	0	
	7/12/10	13:35:42	276	T	BCI RQ FORB/AGREES W IC/TERMS/INTENT-Y 03/10 09/10	JBUSS9	SLKNE1K	0	
A	7/12/10	23:07:33	F30		#0060-Forbearance Approval Notice		SLK8XDK	0	
A	7/12/10	23:07:33	F30		FORBEAR INT TO CAP = 140.31		SLK8XDK	0	
A	7/12/10	23:07:33	F30		FORBEAR LST CMT DT = 03/14/10		SLK8XDK	0	
A	7/12/10	23:07:33	F30		GROUP CURR PRIN = 3,623.33		SLK8XDK	0	
B	7/12/10	23:07:34	F30		#0060-Forbearance Approval Notice		SLK8XDK	0	
B	7/12/10	23:07:34	F30		FORBEAR INT TO CAP = 174.94		SLK8XDK	0	
B	7/12/10	23:07:34	F30		FORBEAR LST CMT DT = 03/14/10		SLK8XDK	0	
B	7/12/10	23:07:34	F30		GROUP CURR PRIN = 4,517.73		SLK8XDK	0	
	7/14/10	0:24:29	ACD	B	LETTER PRINTED (P) 0060	SLSWEB-OP	NBFDBUPR	0	
A	7/19/10	18:31:35	C99	L	A000 B000	EDBATCH	SLX0XFK	0	
A	7/19/10	18:31:35	C99	L	LN=1, S&C=11, PMT=42, APD=0, TT=, DLA=07/19/10.	EDBATCH	SLX0XFK	0	
B	7/19/10	18:31:35	C99	L	LN=2, S&C=11, PMT=52, APD=0, TT=, DLA=07/19/10.	EDBATCH	SLX0XFK	0	
A	8/15/10	17:59:06	961	L	FORB/DEFER END NOTICE OF REAMORITIZATION		SLEEUPK	0	

Group: Group for which the borrower history occurred, if applicable. Loans are grouped by type and interest rate.

Date: Posted date of the transaction.

Time: Posted time of the transaction.

Hist Code: Borrower history transaction code. (See Borrower History Code Listing)

Type: Type of borrower history:

E = Automatic nightly processing change
B = Borrower change
T = Caller contact entry
C = Endorser change
W = Credit bureau contact
D = Diligence
G = Group change
L = Loan change
R = Reference change

Text: Text of the borrower history record. If the text is more than one line, the date and time are repeated.

User ID: User ID of the person who entered the history record. If the history was written during the nightly processing, the User ID is BMP.

Program ID: Name of the program that caused the borrower history to be written.

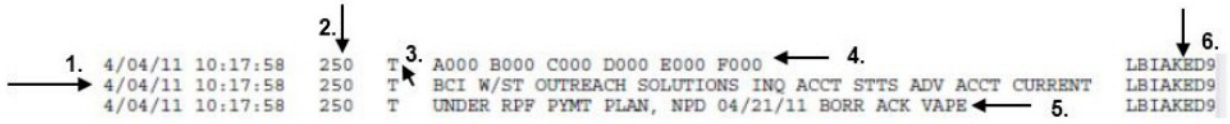
Endorser Number: Endorser number if applicable.

SKP TRC: Indicates the type of skip trace activity:

A = Address
B = Both
P = Phone

How to Read Notes

In order to simplify language in the contact updates, and speed up between-call activities, Nelnet has created a list of approved abbreviations. For a comprehensive list of Nelnet-Approved abbreviations, see Appendix II – Nelnet-Approved Abbreviations.



This note includes:

1. Date and time the comment was entered
2. The contact history code
3. Type of borrower history
4. Notes that reflect the groups and number of days delinquent. These are four-digit entries that begin with the group ID (A, B, C, etc.,) and the number of days delinquent at the time of the comment. (In the example, groups A through F were zero days past due at the time of the update.)
5. Body of the update: *"Borrower called in with Student Outreach Solutions. [Borrower] Inquired account status, [I] advised the account was current."*
6. The username of the person that left the notation
    - NOTE: This could also be an automatic update username
        - ROBOTBATCH or EDBATCH
        - SLSWEB-OP: used for statements and letters being generated
        - SLSWEB-E: used for electronic signature updates
        - SLSWEB-PA: indicates online address/phone/email updates
        - KP-WEB: online Auto Debit updates

Monetary History

Lists monetary (payment) history for each loan for which the claim package is being ordered.

MONETARY HISTORY
FOR 2/19/15

BORROWER:

LOAN NUM: 2

TRAN DATE	POST DATE	TRAN CODE	CANCEL CODE	TRAN AMT	APPLIED PRINCIPAL	APPLIED INTEREST	APPLIED FEES	PRIN BAL AFTER TRAN	INT BAL AFTER TRAN	FEES BAL AFTER TRAN
5/14/10	5/18/10	A01	C01	4588.38	4517.73	70.65	.00	4517.73	70.65000	.00
5/14/10	7/12/10	A01		4588.38	4517.73	70.65	.00	4517.73	70.65000	.00
5/14/10	5/18/10	A17	A31	4588.38	4517.73	70.65	.00	4517.73	70.65000	.00
5/14/10	7/12/10	A17		4588.38	4517.73	70.65	.00	4517.73	70.65000	.00
5/14/10	5/18/10	A22	A31	4588.38	4517.73	70.65	.00	4517.73	70.65000	.00
5/14/10	7/12/10	A22		4588.38	4517.73	70.65	.00	4517.73	70.65000	.00
5/18/10	5/18/10	A52		3.36	.00	3.36	.00	4517.73	74.01432	.00
9/15/10	9/15/10	F99		4692.67	4517.73	174.94	.00	4517.73	174.94392	.00
9/15/10	9/15/10	A40		174.94	174.94	174.94-	.00	4692.67	.00392	.00
10/14/10	2/23/11	F01		4718.00	4692.67	25.33	.00	4692.67	25.33977	.00
3/22/11	3/22/11	F99		4856.92	4692.67	164.25	.00	4692.67	164.25012	.00
3/22/11	3/22/11	A40		164.25	164.25	164.25-	.00	4856.92	.00012	.00
4/21/11	4/21/11	F01	F30	4884.04	4856.92	27.12	.00	4856.92	27.12702	.00
4/21/11	1/13/12	F01		4884.04	4856.92	27.12	.00	4856.92	27.12702	.00
3/22/12	3/22/12	F99		5187.86	4856.92	330.94	.00	4856.92	330.94830	.00
3/22/12	3/22/12	A40		330.94	330.94	330.94-	.00	5187.86	.00830	.00
4/21/12	10/31/12	F01		5216.84	5187.86	28.98	.00	5187.86	28.98350	.00
10/31/12	10/31/12	F99		5403.25	5187.86	215.39	.00	5187.86	215.39062	.00
10/31/12	10/31/12	F01		5403.25	5187.86	215.39	.00	5187.86	215.39062	.00
12/22/12	12/22/12	F99		5453.47	5187.86	265.61	.00	5187.86	265.61430	.00
1/21/13	1/21/13	F01		5482.44	5187.86	294.58	.00	5187.86	294.58950	.00
6/22/13	6/22/13	F99		5629.25	5187.86	441.39	.00	5187.86	441.39718	.00
6/22/13	8/26/13	E01		.00	.00	.00	.00	5187.86	441.39718	.00
6/22/13	6/24/13	A40	A41	264.64	264.64	264.64-	.00	5452.50	176.75718	.00
6/24/13	6/24/13	A52		.10	.00	.10	.00	5452.50	178.78740	.00
7/21/13	8/24/13	F01	A31	5658.69	5452.50	206.19	.00	5452.50	206.19537	.00
7/21/13	8/26/13	F01	A31	5657.26	5187.86	469.40	.00	5187.86	469.40654	.00
7/21/13	8/26/13	F01		5657.26	5187.86	469.40	.00	5187.86	469.40654	.00
8/26/13	8/26/13	A52		3.20-	.00	3.20-	.00	5187.86	504.17678	.00
9/21/13	9/21/13	F99		5717.14	5187.86	529.28	.00	5187.86	529.28862	.00
9/21/13	9/21/13	F01		5717.14	5187.86	529.28	.00	5187.86	529.28862	.00
8/22/14	8/22/14	F99		6040.70	5187.86	852.84	.00	5187.86	852.84502	.00
8/22/14	8/22/14	A40		676.08	676.08	676.08-	.00	5863.94	176.76502	.00

Tran Date: Effective date of the monetary transaction.

Post Date: Posted date of the transaction.

Tran Code: Loan history transaction code. (See Appendix IV – Monetary Transaction Codes)

Cancel Code: Cancel code, if the transaction was cancelled. (See Appendix IV – Monetary Transaction Codes)

Tran Amt: Amount of the transaction.

Applied Principal: Amount applied to outstanding principal balance.

Applied Interest: Amount applied to outstanding interest balance.

Applied Fees: Amount applied to outstanding fees balance.

Prin Bal After Tran: Principal balance after the transaction was applied.

Int Bal After Tran: Interest balance after the transaction was applied.

Fees Bal After Tran: Fees balance after the transaction was applied.

Deferment/Forbearance History

Lists deferment and forbearance history for all the loans for the borrower for whom a claim package is being ordered.

DEFERMENT/FORBEARANCE HISTORY

SSN

GRP ID	LN #	PROC DATE	TYPE	START DATE	END DATE	NBR OF MTHS	NBR OF DAYS	I	LPF PMT	PDG	USER ID
A	1		FFH	2/23/09	8/23/09	6	1	D	.00		CONVERSION
A	1		D10	8/24/09	2/18/10	5	26	D	.00		
A	1	7/12/10	FFO	3/14/10	9/14/10	6	1	D	.00		JBUSS9
A	1	2/23/11	FFV	10/14/10	3/21/11	5	8	D	.00		JTURNER9
A	1	1/13/12	FFV	4/21/11	3/21/12	11	1	D	.00		DCLAPPE9
A	1	10/31/12	FBS	4/21/12	10/30/12	6	10	D	.00		WCOLLIN9
A	1	10/31/12	FSD	10/31/12	12/21/12	1	22	D	.00		WCOLLIN9
A	1	11/30/12	FFW	1/21/13	6/21/13	5	1	D	.00		EDBATCH
A	1	8/24/13	FAF	7/21/13	9/20/13	1	31	D	.00		JCUMMIN9
A	1	8/24/13	FGA	9/21/13	8/21/14	11	1	D	.00		JCUMMIN9
B	2		FFH	2/23/09	8/23/09	6	1	D	.00		CONVERSION
B	2		D10	8/24/09	2/18/10	5	26	D	.00		
B	2	7/12/10	FFO	3/14/10	9/14/10	6	1	D	.00		JBUSS9
B	2	2/23/11	FFV	10/14/10	3/21/11	5	8	D	.00		JTURNER9
B	2	1/13/12	FFV	4/21/11	3/21/12	11	1	D	.00		DCLAPPE9
B	2	10/31/12	FBS	4/21/12	10/30/12	6	10	D	.00		WCOLLIN9
B	2	10/31/12	FSD	10/31/12	12/21/12	1	22	D	.00		WCOLLIN9
B	2	11/30/12	FFW	1/21/13	6/21/13	5	1	D	.00		EDBATCH
B	2	8/24/13	FAF	7/21/13	9/20/13	1	31	D	.00		JCUMMIN9
B	2	8/24/13	FGA	9/21/13	8/21/14	11	1	D	.00		JCUMMIN9

Grp ID: Group ID of the group to which the deferment or forbearance was applied.

Ln #: Number of the loan to which the deferment or forbearance was applied.

Proc Date: Processing date, or date the deferment or forbearance was entered into the system.

Type: Type of deferment or forbearance. (See Deferment and Forbearance Code Listing)

Start Date: Start date of the deferment or forbearance.

End Date: End date of the deferment or forbearance.

Nbr of Mths: Number of months the deferment or forbearance is (was) in effect.

Nbr of Days: Number of days beyond the number of months the deferment or forbearance is (was) in effect.

I: Active/inactive switch:

A = Active
C = Cancelled
D = Done
I = Inactive (future)

LPF Pmt: Low pay deferment or forbearance low payment amount.

PDG: For deferments, post deferment grace eligibility:

Blank = Not eligible for post deferment grace
N = Not eligible for post deferment grace
Y = Eligible for post deferment grace

User ID: User ID of the person who entered the deferment or forbearance.

Borrower History Code Listing

BORROWER HISTORY

BORROWER: [redacted], TISHA

GROUP	DATE	TIME	HIST CODE	TYPE	TEXT	USER ID	PROGRAM ID	ENDORSER NUMBER	SKP TRC
A	5/18/10	22:56:12	61A	L	#0157 - ACS TO NELNET SERVICE TRAN LTR		SLEEUPK	0	
A	5/18/10	22:56:12	6DL	L	LTR#1613 60-DAY DELINQUENCY NOTICE	BMP	SLEEUPK	0	
	5/18/10	23:34:36	GLB		Privacy Letter Generated	EDBATCH		0	
	5/20/10	0:24:50	ACD	B	LETTER PRINTED (P) 1613	SLSWEB-OP	NBFDBUPR	0	
	5/20/10	0:28:29	ACD	B	LETTER PRINTED (P) 0157	SLSWEB-OP	NBFDBUPR	0	
	5/20/10	8:25:37	165	B	CTB, ATTEMPTED TO LEAVE MSG TO CALL	EDBATCH	SLVZXPK	0	
A	5/24/10	13:53:34	S11	L	PASTDUE DILIGENCE STATEMENT SENT FOR BOR		SLFAUPK	0	
B	5/24/10	13:53:35	S11	L	PASTDUE DILIGENCE STATEMENT SENT FOR BOR		SLFAUPK	0	
A	5/25/10	5:06:06	N07	D	DISC OF GROUP "A",CUR DUE DTE:03/14/10,SCHD DUE DTE:07/14/10	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N07	D	RPY ST DTE 02/16/09,RPY DUE DTE 03/14/09,CUR PRIN 3,623.33	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N07	D	LNS: 1	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N07	D	41.69 FOR 4 PMTS. STARTING 03/14/10	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N07	D	41.69 FOR 115 PMTS. STARTING 07/14/10	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N07	D	35.59 FOR 1 PMTS. STARTING 02/14/20	EDBATCH	SLHYUPK	0	
A	5/25/10	5:06:06	N05	D	DISCLOSURE PRINTED FOR GROUP 'A' (N)	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	DISC OF GROUP "B",CUR DUE DTE:03/14/10,SCHD DUE DTE:07/14/10	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	RPY ST DTE 02/16/09,RPY DUE DTE 03/14/09,CUR PRIN 4,517.73	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	LNS: 2	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	52.00 FOR 4 PMTS. STARTING 03/14/10	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	52.00 FOR 115 PMTS. STARTING 07/14/10	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N07	D	41.11 FOR 1 PMTS. STARTING 02/14/20	EDBATCH	SLHYUPK	0	
B	5/25/10	5:06:06	N05	D	DISCLOSURE PRINTED FOR GROUP 'B' (N)	EDBATCH	SLHYUPK	0	
	5/26/10	1:11:45	ACD	B	STATEMENT CREATED (P) for Acct 815020548	SLSWEB-OP	NBFDBUPR	0	
	5/27/10	0:18:11	ACD	B	LETTER PRINTED (P)	SLSWEB-OP	NBFDBUPR	0	

The borrower history transaction codes used for entering prefilled Caller Contact history work in a unique way. Alphanumeric codes from 100 to 999 may be entered from the Caller Contact Add Contact History screens (regular and uninsured).

Codes from 570 to 599 and from 670 to 699 may be entered only from Manual Caller Contact or Uninsured Manual Caller Contact. These codes must be numbered as follows:

Attempt Codes: Regular attempt codes are numbered 100 through 199 (except for 150, which is reserved for entering multiple lines of attempt text). When any numeric code in this range is entered, the borrower or comaker is removed from the auto call list and caller contact progress statistics are updated with an attempt. Endorser attempt codes are numbered 570 through 599. When any numeric code in this range is entered, the endorser is removed from the auto call list, and caller contact progress statistics are updated with an attempt.

Contact Codes: Regular contact codes are numbered 200 through 299 (except for 250, which is reserved for entering multiple lines of contact text). When any numeric code in this range is entered, the borrower or comaker is removed from the auto call list and caller contact progress statistics are updated with a contact. Endorser contact codes are numbered 670 through 699. When any numeric code in this range is entered, the endorser is removed from the auto call list, and caller contact progress statistics are updated with a contact.

Miscellaneous Caller Contact Codes: Miscellaneous contact codes are numbered 300 through 569, 600 through 669, and 700 through 999. Code 300 is reserved for entering multiple lines of contact text. These codes do not affect caller contact diligence or statistics. In other words, when a code is entered in this range, the borrower, comaker, or endorser is not removed from the auto call list and call statistics are not updated.

In Caller Contact or Uninsured Caller Contact, when any of these codes are selected (other than 150, 250, or 300) for adding contact history, the one-line code is displayed on the screen and the contact text may be modified. When codes 150, 250, or 300 are selected, several lines of text may be entered which will be written to borrower history.

AAA DMC CODE ADDED

AAB DMC CODE DELETED

AAC DMC CODE CHANGED

AAD DMC OVERRIDE CHANGED

AAH CELL PHONE CONSENT CHG

AAI BANKRUPTCY VERIFICATION DATE CHG

AAJ BANKRUPTCY DISCHARGE DATE CHG

AAK BOR SELCT GRAD REPAY PER CONSOL APP

AAL BOR SELCT EXTD REPAY PER CONSOL APP

AAM BOR SELCT EXTD GRAD REPAY PER CONSOL APP

AAN BOR SELCT IBR REPAY PER CONSOL APP

AAO BOR SELCT ICR REPAY PER CONSOL APP

AAP BOR SELCT PAYE REPAY PER CONSOL APP

AAR BOR SELCT LOWEST REPAY PER CONSOL APP

AAS BOR SELCT REPAYE REPAY PER CONSOL APP

AAX BORR PHONE LEVEL CPC CHG

AAY ENDORSER ALL PHONE STATUS CHANGED

AAZ BORROWER ALL PHONE STATUS CHG

AA0 BORR PERM TIME ZONE CHG

AA1 BORR PERM PH EXT CHG

AA2 BORR PERM FRGN PH IND CHG

AA3 BORR PERM PH STS CHG

AA4 BORR TEMP TIME ZONE CHG

AA5 BORR TEMP PH EXT CHG

AA6 BORR TEMP PH STS CHG

AA7 BORR TEMP FOR PH IND CHG

AA8 BORR OTHER PH IND CHG

AA9 BORR OTHER PHONE # CHANGED

AB0 BORR OTHER CALL TIME IND CHG

AB1 BORR OTHER FRGN PH IND CH

AB2 BORR OTHER PH STS CHG

AB3 BORR CREDIT SCORE CHG

AB4 BORR LEGAL SUB STS CHG

AB5 BORR SPEC INSTRUCT CODE C

AB6 REF SSN CHG

AB7 REF TIME ZONE CHG

AB8 REF HOME PH STS CHG

AB9 REF HOME PH GRGN IND CHG

AC0 REF OTHER CALL TIME CHG

AC1 REF OTHER PH # CHG

AC2 REF OTHER PH TYPE CHG

AC3 REF OTHER PH STS CHG

AC4 REF OTHER PH GOR IND CHG

AC5 ENDR HOME PH STS CHG

AC6 ENDR HOME PH FRGN IND CHG

AC7 ENDR TIME ZONE CHG

AC8 ENDR OTHER PH # CHG

AC9 ENDR OTH CALL TIME IND CHG

ADR AUTO DEBIT REMINDER

AD0 ENDR OTHER PH TYPE CHG

AD1 ENDR OTHER PH STS CHG

AD2 ENDR OTHER PH FOR IND CHG

AD3 BORR EMPL OCCUPATION CHG

AD4 BORR EMPL ADDR STS CHG

AD5 BORR EMPL ADDR CHG

AD6 BORR EMPL COUNTRY CODE CHG

AD7 BORR EMPL PH STS CHG

AD8 BORR EMPL PH # EXT CHG

AD9 BORR EMPL TIME ZONE CHG

AE0 BORR EMPL EMAIL ADDR CHG

AE1 BORR EMPL EMAIL STS CHG

AE2 BORR SUPV NAME CHG

AE3 BORR SUPV CONT SW CHG

AE4 BORR SUPV PH STS CHG

AE5 BORR SUPV PH # CHG

AE6 BORR SUPV PH EXT CHG

AE7 BORR SUPV EMAIL ADD CHG

AE8 BORR SUPV EMAIL STS CHG

AE9 BORR EMPLOY END DATE CHG

AFA ADV ADMIN FORB APPLIED

AF1 REF OCCUPATION CHG

AF2 REF EMPL ADDR STS CHG

AF3 REF EMPL ADDR CHG

AF4 REF EMPL COUNTRY CODE CHG

AF5 REF EMPL PH STS CHG

AF6 REF EMPL PH # EXT CHG

AF7 REF EMPL TIME ZONE CHG

AF8 REF EMPL EMAIL ADDR CHG

AF9 REF EMPL EMAIL STS CHG

AG0 REF SUPV NAME CHG

AG1 REF SUPV CONTACT SW CHG

AG2 REF SUPV PH STS CHG

AG3 REF SUPV PH # CHG

AG4 REF SUPV PH EXT CHG

AG5 REF SUPV EMAIL ADDR CHG

AG6 REF SUPV EMAIL STS CHG

AG7 REF EMPLOY END DATE CHG

AG9 ENDR OCCUPATION CHG

AH0 ENDR EMPL ADDR STS CHG

AH1 ENDR EMPL ADDR CHG

AH2 ENDR EMPL COUNTRY CODE CHG

AH3 ENDR EMPL PH STS CHG

AH4 ENDR EMPL PH # EXT CHG

AH5 ENDR EMPL TIME ZONE CHG

AH6 ENDR ENDR EMAIL ADDR CHG

AH7 ENDR EMPL EMAIL STS CHG

AH8 ENDR SUPV NAME CHG

AH9 ENDRSUPV CONTACT SW CHG

AI0 ENDR SUPV PH STS CHG

AI1 ENDR SUPV PH # CHG

AI2 ENDR SUPV PH EXT CHG

AI3 ENDR SUPV EMAIL ADDR CHG

AI4 ENDR SUPV EMAIL STS CHG

AI5 ENDR EMPLOY END DATE CHG

AI6 BORR EMAIL ADDR CHG

AI7 EMAIL INDICATOR FIELD CHANGED

AI8 BORR EMAIL STS CHG

AI9 BORR DIGITAL SIGNATURE CHG

AJ0 BORR DIGIT SIGNATURE SRCCHG

AJ1 BORR DIG SIG RECEIPT DT CHG

AJ2 BORR DIG SIG RECEIPT TIME CHG

AJ3 BORR DIGI EXPIRATION DT CHG

AJ4 BORR DIGITAL RENEWAL DT CHG

AJ5 BNKRPT/LGL ATTRNY NAME CHG

AJ6 BNKRPT/LGL ATTRNY COMPANY CHG

AJ7 BNKRPT/LGL ADDR CHG

AJ8 BNKRPT/LGL COUNTRY CODE CHG

AJ9 BNKRPT/LGL ADDR STS CHG

AK0 BNKRPT/LGL EMAIL ADDR CHG

AK1 BNKPRT/LGL EMAIL STS CHG

AK2 BNKRPT/LGL EMAIL IND CHG

AK3 BNKRPT/LGL PH # CHG

AK4 BNKRPT/LGL PH EXT CHG

AK5 BNKRPT/LGL CALL TIME IND CHG

AK6 BNKRPT/LGL TIME ZONE CHG

AK7 BNKRPT/LGL PH STS CHG

AK8 BNKRPT/LGL FAX PH # CHG

AK9 BNKRPT/LGL FAX PH IND CHG

AL0 BNKRPT/LGL FAX CALL TIME IND CHG

AL1 BNKRPT/LGL FAX TIME ZONE CHG

AL2 BNKRPT/LGL FAX PH STS CHG

AL3 BNKRPT/LGL BANK FILE DT CHG

AL4 BNKRPT/LGL BANK DISCHARGE DT CHG

AL5 BNKRPT/LGL BANK TYPE CHG

AL6 REF EMPLOYER CALL TIME IND

AL7 ENDR EMPLOYER CALL TIME IND

AL8 ENROLLMENT REC'D DATE CHANGED

AL9 D/F SCHOOL CODE

AQ0 FLAG CHG

AQ1 EFT INC ELIGIBLE CHG

AQ2 START DATE CHG

AQ3 END DATE CHG

AQ4 BANK ID CHG

AQ5 ACCOUNT NBR (TXT) CHG

AQ6 CHECKING/SAVINGS IND CHG

AQ7 OVERRIDE SW CHG

AQ8 PROCESS DAY CHG

AQ9 ALT ACH PMT AMT CHG

AR0 GR ALT ACH PMT AMT CLR

AR1 BR ACCOUNT NUMBER CHG

AR2 IRS CONSENT RCPT DT CHANGED

AR3 BORROWER DRIVERS LICENSE STATE CHANGED

AR4 BANKRUPTCY ADVERSARIAL IND CHANGED

AR5 PUBLIC SERVICE INTENT CHANGED

AR9 BANK DRAFT DATA RCD CRTED

AS1 BORROWER STMT SUPPRESS OVERRIDE CHANGED

AS2 ENDORSER STMT SUPPRESS OVERRIDE CHANGED

AS3 LOAN RISK SHARE STATUS CHANGE

AS4 LOAN RISK SHARE RATE CHANGE

AS5 AUTOMATED DUE DATE CHANGE DSBADJ

AS6 AUTOMATED AMOUNT CHANGE DISBUR

AS7 AUTOMATED AMOUNT CHANGE DSBADJ

AT1 GROUP RCA STATUS CHANGED

AT2 SPECIALTY CLAIM TYPE CHANGED

AT3 SPEC PROC CLAIM CODE CHANGED

AT4 VA EFF/PHYS EXT REQ DATE CHANGED

AT5 DSCHG APP/PHYS CERT DATE CHANGED

AW1 RCVD IBR FILE, PAPER PACK IND = 'Y'

AW2 RCVD IBR FILE, AGI CURR INC IND = 'N'

AW3 RECEIVED IBR/IRS FILE

AW4 RCVD IBR/IRS FILE, INELIGIBLE

AW5 IBR AUTO PROCESSED

AX1 RCVD ICR FILE, PAPER PACK IND = 'Y'

AX2 RCVD ICR FILE, AGI CURR INC IND = 'N'

AX3 RECEIVED ICR/IRS FILE

AX4 2ND PMT IND CHG

AY1 RCVD PAYE FILE, PAPER PACK IND = 'Y'

AY2 RCVD PAYE FILE, AGI CURR INC IND = 'N'

AY3 RECEIVED PAYE /IRS FILE

AZ1 RCVD OTHER FILE, PAPER PACK IND = 'Y'

AZ2 RCVD OTHER FILE, AGI CURR INC IND = 'N'

AZ3 RECEIVED OTHER/IRS FILE

A06 AMOUNT DISBURSED CHANGED

A12 COMAKER/SPOUSE SSN CHG

A13 BENEFIT STUDENT SSN CHG

A14 INTEREST RATE CHANGE

A17 BORR EMAIL IND CHG

A22 GROUP CONVERTED TO PAYOUT

A23 END OF POST DEFR GRACE

A24 GROUP RESET TO INTERIM

A25 CONVERT TO GRACE

A26 INSURED TO UNINSURED

A27 UNINSURED EDIT REC CHG

A28 DSB GUARANTEE AMT CHG

A29 FIRST TIME BORR SW CHNG

A30 LOAN REGION CODE

A32 SAME DAY CANCEL BATCH PMT REVERSAL

A33 CANCEL DUE TO ERROR BATCH PMT REVERSAL

A50 BORROWER ENROLLMENT STATUS CHANGED

A61 COSIGNER FOREIGN COUNTRY CHG

A62 COSIGNER COUNTRY CODE CHG

A63 COSIGNER CALL TIME CHG

A64 COSIGNER WORK PHONE # CHG

A65 COSIGNER BIRTHDATE CHG

A66 COS ADDRESS SOURCE CHG

A67 EDR CITIZENSHIP CHG

A68 EDR EMAIL ADDR CHG

A69 NSLDS LOAN ID CHGD

A70 GOV SUBSIDY STS CHG

A71 LOAN PERIOD START DATE CHG

A74 REBATE ADJUSTMENT

A90 PAYMENT GRADUATION

BT6 BNKRPT/LGL COURT DATE

BW1 RCVD SEC OPT FILE, PAPER PACK IND= 'Y'

BW2 RCVD SEC OPT FILE, AGI CURR INC IND= 'N'

BW3 RECEIVED SEC OPT/IRS FILE

B02 ADJ PURCH FIP

B18 BOND TO BOND TRANSFER

B24 "A" LETTER SENT

B59 ADJUSTMENT FOR NSF FEES COMPLETED

B88 LOCKBOX TRAN CODE CHANGED

B89 LOCKBOX TRAN DATE CHANGED

B99 CANCEL LOAN

C01 DO NOT USE,CONV ONLY,CONTACT MSGS

C97 LINKING STATUS CHANGED FROM &1 FOR LN &2

C98 TPD - AUTO CREDIT DISPUTE

C99 AUTO CREDIT DISPUTE

D10 DO NOT USE,CONV ONLY,DEFERMENT

D14 DO NOT USE,CONV ONLY,DEFERMENT

D16 DO NOT USE,CONV ONLY,DEFERMENT

D20 DO NOT USE,CONV ONLY,DEFERMENT

D24 DO NOT USE,CONV ONLY,DEFERMENT

D26 DO NOT USE,CONV ONLY,DEFERMENT

D28 DO NOT USE,CONV ONLY,DEFERMENT

D30 DO NOT USE,CONV ONLY,DEFERMENT

D36 DO NOT USE,CONV ONLY,DEFERMENT

D38 DO NOT USE,CONV ONLY,DEFERMENT

ECR ECOR FLAG CHANGED FROM

E01 LETTER MASTER NOT FOUND

E02 LETTER DETAIL NOT FOUND

E03 INVALID PARM CODE

E04 BAD BORROWER ADDRESS

E05 BORROWER NOT FOUND

E06 GROUP NOT FOUND

E07 LOAN NOT FOUND

E08 SCHOOL NOT FOUND

E09 COMAKER NOT FOUND

E10 BAD COSIGNER ADDRESS

E11 DEFERMENT NOT FOUND

E12 LENDER NOT FOUND

E13 DEF TYPE NOT FOUND

E14 REFERENCE NOT FOUND

E15 BAD REFERENCE ADDRESS

E16 FORBEARANCE NOT FOUND

E17 FORM TYPE NOT VALID

E19 COUNTRY NOT VALID

E20 GROUP HAS NO DUE DATE

E21 GROUP HAS A P90 STATUS

E22 COMAKER NOT FOUND

E23 ENDORSER NOT FOUND

E24 ENDORSER NOT ON LN/GRP

E25 REWRITE ERROR

E26 TAG PROCESSING ERROR

E27 COMAKER NOT ON LN/GRP

E28 LENDER NOT FOUND

E29 BORROWER IN LEGAL STAT

E30 INTEREST RATE NOT VALID

E31 BAD COMAKER ADDRESS

E32 GUARANTEE NOT FOUND

E33 LOAN ATTRIB NOT FOUND

E34 NO RF LETTER CONTACT = N

E35 ADDRESS STATUS IS SKIP

E36 DISCLOSURE NOT PROCESSED

E37 DISCLOSURE NOT PRINTED

E90 EXT CNSL-BORR REPAY PLAN REQUEST

E91 EXT CNSL-BAD SSN-BORR REPAY PLAN REQ

E92 EXT COUNSEL - NO REPAY PLAN ADJUSTMENT

E93 EXT CNSL-REPAY PLAN PROCESSED

E94 EXT CNSL-PLUSBORR REPAY PLAN REQUEST

E95 EXT CNSL-BAD SSN-PLUSBORR REPAY PLAN REQ

E96 EXT CNSL-PLUSBORR REPAY PLAN PROCESSED

FGI IDR FORGIVENESS

FPL FINAL PAYMENT LETTER SENT

F10 DO NOT USE,CONV ONLY,FORBEARANCE

F12 DO NOT USE,CONV ONLY,FORBEARANCE

F14 DO NOT USE,CONV ONLY,FORBEARANCE

F30 #0060-Forbearance Approval Notice

F31 #0061-Forbearance Apprvl Ntc to CoMaker

F32 #0062 - Forb Apprvl Ntc to Endorser

F50 ADMIN FORB POSTED AT THE REQUEST OF FSA

F55 CLAIM RECALLED PER FSA REQUEST

F68 LTR #0168-FORBEARANCE END SENT

F70 FINAL DEMAND LTR MAINE PRIVATE LOAN BOR

F72 FORB CONTACT LETTER FOR THE BORROWER

F73 FORB CONTACT LETTER FOR THE COMAKER

F74 FORB CONTACT LETTER FOR THE ENDORSER

F89 NPF-LPF COMBINATION CONFIRMATION LTR SNT

F93 BANKRUPTCY FORB PROCESSED,NO LTR SNT

F94 BANKRUPTCY FORB ENDED.

GLB PRIVACY LETTER GENERATED

G08 DUE DATE CHG

G66 ORIGINAL PMT AMT CHG

G67 CURRENT PMT AMT CHG

G68 PARTIAL PMT AMT CHG

G69 LOW PMTS CHG

H01 PERM ADDRESS BH ONLY

H02 TEMP ADDRESS BH ONLY

H03 ENDR ADDRESS BH ONLY

H04 BORROWER FIELDS TRUNCATED

H05 STUDENT FIELDS TRUNCATED

H06 ENDORSER FIELDS TRUNCATED

H10 LC PAYOFF INQUIRY

H20 DAAR RECORD CORRECTION

IB1 CANCEL IBR

IB2 EXIT IBR

IB5 IBR RECERTIFICATION LETTER WAIVED

IB6 IBR CHANGE TO PERM-STD WAS WAIVED

IB7 IBR WAIVER ACTIVITY

IC2 EXIT ICR

IC5 ICR RECERTIFICATION LETTER WAIVED

IC6 ICR CHANGE TO PERM-STD WAS WAIVED

IC7 ICR WAIVER ACTIVITY

ID1 IDR APPLICATION ABANDONED

IPE IBR ELIGIBILITY FLAG CHANGED

IR9 INT RTE CHG RETRO APPLD 7-1-14 IR133777

I01 #0819-INCENTIVE LETTER

I02 #0821-12 MONTH CONSOL INCENTIVE LETTER

I11 WAIVER EXPIRATION DATE CHG

I12 WAIVER REASON CODE CHG

J00 TYPE C UNINS COSIGN DILIG LTR #3 SENT

J12 LTR #0178 PLUS/SLS VAR INT CHG 7-1 SENT

J15 NOTICE MAILED TO BORR, INTR CHG 7-1

J20 LTR #0003-REDISCL ACCT FOR LOWER PMT SNT

J26 LTR #0655-BANK DRAFT CXLED

J40 LTR #0061-ACCT BAL & DAILY INT SENT

J41 LTR #0064-LTD PMTS APPLIED & BAL SENT

J42 LTR #0066-BAL L/T 1PMT-LAST PMT SENT

J43 LTR #0067-GROUP PIF W/LAST PMT SENT

J44 LTR #0179-Schl Rfnd Notice Sent To Borr

J45 #0068-PIF Notice sent to CoMaker

J46 #0180-Schl Refund Ntc sent to CoMaker

J47 LTR #0069- CONFIRM OF PAYMENT RCVD

J48 LTR #0070- ZERO BALANCE/PAID IN FULL

J50 #0039-Separation Date Change Notif

J51 #0510-Separation Dt Chg Ntc to CoMaker

J60 #0138-Cure A & Disclosure sent to Cos

J61 #0139-CURE A & Discl sent to Borrower

J62 #0141-CURE TYPE B & C & DISCL SENT

J63 #0142-CURE B&C COSIGN LTR&DISCL SNT

J64 #0145-CURE TYP A & REQ 3FULL PMT SNT

J65 #0146-CURE A COSGN REQ 3FULL PMT SNT

J66 #0149-CURE A&B REQ RTN DISCL SENT

J67 #0150-CURE A&B COSGN REQ RTN DIS SNT

J68 #0154-CURE A&B STRT LIT PROCS SENT

J69 LTR #0155-CURE A&B COSGN STRT LIT SENT

J70 LTR #0165-CURE C DEMAND PMT IN FULL SENT

J71 LTR #0166-CURE C COSGN DEMAND PIF SENT

J72 LTR #0171-CURED WITH PMT SENT

J73 LTR #0172-CURED WITH SIGNED DISCL SENT

J74 LTR #CURE TYPE B REQ 1 FULL PMT SENT

J75 LTR #0187-CURE B COSGN REQ 1 FLL PNT SNT

J81 LTR #0598-SLS/Staff Align Aprvl Ntc Snt

J82 #0096 SLS/STAF Alignment-snt to CoMaker

J83 LTR #0599-SLS/Staff Align Rqst Ntc Sent

J89 #0054 - SKIP Lttr to Borr for Endsr Info

J90 LTR #0052-PCL UNABLE TO REACH SENT

J91 TYPE C UNINS DILIG LTR #1 SENT

J92 TYPE C UNINS DILIG LTR #2 SENT

J93 TYPE C UNINS DILIG LTR #3 SENT

J94 #0099-Endorser 4 Pmts Past Due Notice

J95 TYPE C UNINS COSIGN DILIG LTR #1 SENT

J96 #0100- Endorser 2 Pmts Past Due Notice

J98 #0053 - SKIP/PCL to CoMaker

J99 TYPE C UNINS COSIGN DILIG LTR #2 SENT

K04 AUTOMATIC WITHDRAWAL APPLICATION SENT

L01 #0026-Deferment Approval Notice

L02 #0029 - Defr Approval Ntc - to CoMaker

L03 #0082-SCHOOL DEFERMENT APPROVAL

L10 #0001-"SCH" Deferment sent

L11 #0042-Summer Intent Deferment sent

L12 #0003 - "SCH" Defr sent to CoMaker

L14 #0006 - "EDU" Defr sent to CoMaker

L18 #0018-"PUB" Def sent(Mltry/Vista/P Corp)

L19 #0019 - "PUB" Defr sent to CoMaker

L22 #0032 - Summer Intent Def snt to CoMaker

L23 #0024-"UNEM" Deferment sent

L24 #0027 - "UNEM" Defr sent to CoMaker

L26 #0021-"TDIS" Tem Disability Def snt

L27 #0022 - "TDIS" Defr sent to CoMaker

L28 #0025-"HRD" Deferment sent

L29 #0028 - "HRD" Defr sent to CoMaker

L30 #0081 - "PLUS" DEFERMENT SENT

L32 #0078-"PLWM" Def sent (Prntl lv/Mother)

L33 #0079 - "PLWM" Defr sent to CoMaker

L34 #0076-P.I.F. letter for Perm Disability

L35 #0080 - PIF by Dis Clm Ntc - to CoMaker

L36 #0077 - PIF by Consolidation letter sent

L54 LTR #0530-MED LV OF ABSENCE INFO SNT

L60 LTR #0034-PERM DISABL (DIS) CVR LTR SNT

L87 LTR #0622-WINDFALL-Rate Chg ntc to borr

L88 #0623-Windfall Rate Chg Ntc to CoMaker

L99 #0167-Deferment End Letter sent

N01 180 DAY NOTICE SENT TO BORROWER LTR#0169

N02 180 DAY NOTICE SENT TO CO-MAKER LTR#0170

N03 180 DAY NOTICE SENT TO ENDORSER LTR#0171

N05 DISCLOSURE PRINTED

N06 DISCLOSURE REQUESTED BY PMT EVAL PROCESS

N07 REDISCLOSED LOANS

N08 ORIGINAL DUE DATE CHANGED

N09 DO NOT USE,CONV ONLY,COUPONS

N10 END OF DEFERMENT LETTER PRINTED

N11 END OF FORBEARANCE LETTER PRINTED

N12 DO NOT USE,CONV ONLY,RESET TO INTERIM

N21 10 DAYS PAST DUE NOTICE PRINTED

N23 30 DAYS PAST DUE NOTICE PRINTED

N25 TWO PAYMENTS PAST DUE LETTER PRINTED

N30 RCA SENT TO GUARANTEE AGENCY

N33 THREE PAYMENTS PAST DUE LETTER PRINTED

N35 90 DAYS PAST DUE NOTICE PRINTED

N40 FOUR PAYMENTS PAST DUE NOTICE PRINTED

N42 120 DAYS PAST DUE NOTICE PRINTED

N45 FIVE PAYMENTS PAST DUE NOTICE PRINTED

N50 DO NOT USE,CONV ONLY,48 HOUR NOTICE

N60 DO NOT USE,CONV ONLY,ACCT IN CLAIM STS

N70 DO NOT USE,CONV ONLY,270 PAST DUE

N71 DAYS PAST DUE SENT TO CREDIT BUREAU

N72 COSIGNER REPORTED TO CREDIT BUREAU

N79 SCHOOL REFUND LETTER PRINTED F/ BORROWER

N80 PENDING CLAIM

N81 REMOVED CLAIM

N85 DO NOT USE,CONV ONLY,CURED CLAIM

N86 CLAIM FULL DILIGENCE AVAILABLE CHANGE

N87 CLAIM ACKNOWLEDGE CHANGE

N88 CLAIM GUARANTEE RECEIPT DATE CHG

N90 DO NOT USE,CONV ONLY,EOY LETTER

N91 DO NOT USE,CONV ONLY,EOY DISCLAIMER

PA5 PAYEE RECERTIFICATION LETTER WAIVED

PA6 PAYEE CHANGE TO PERM-STD WAS WAIVED

PA7 PAYEE WAIVER ACTIVITY

PEV LTR#0669 RE-AM PMT INCR - WITH KWIKPAY

PS1 PAYMENT SCHEDULE DROPPED RECORD

PY1 PAYE SCHED STARTED

PY2 PAYE SCHED CANCELED

PY3 PAYE SCHED EXITED

P01 1070 INCME DRVN ANNUAL APPRVL NOTICE

P02 1056 IBR PRM STN ANNUAL NOTICE

P03 1060 PAYE PRM STD ANN NTC SENT TO CUST

P04 1061 ICR DENL NOT IN RPY SENT TO CUST

P05 1062 PAYE DENL LN TYPE SENT TO CUST

P06 1063 PAYE DENL NOT IN RPY SENT TO CUST

P07 1064 PAYE DENL LETTER GEN SENT TO CUST

P08 1065 FORCED IBR LETTER SENT TO CUST

P09 1066 FORCED PAYE LETTER SENT TO CUST

P10 1067 PAYE INCRCT DOCS RCVD SENT TO CUST

P11 1068 IBR PFH ANNUAL NTC SENT TO CUST

P12 1069 PAYE PFH ANNUAL NTC SENT TO CUST

P13 1070 PAYE PFH ANNUAL NTIF SENT TO CUST

P14 1506 IBR INCRRCT DOCS RCVD RSNT TO CUST

P15 1507 IBR RENWL NTC 2 30 DY SNT TO CUST

P16 1508 ICR INCORRCT DOCS RCVD SENT TO CUST

P17 1509 ICR RNWL NTC 2 30 DY SENT TO CUST

P18 1511 IBR DENIAL LTTR LN TYP SENT TO CUST

P19 1512 ICR DNIAL LN TYP SENT TO CUST

P20 1513 PAYE RNWL NOTICE 90 DY SENT TO CUST

P21 #1514 PAYE RENEWAL 30 DAYS SENT

P22 1522 ICR Renewal Notice 1 90 Days

P23 1069 IBR HOLD GRACE

P24 1071 RPY DENL ONE PYMNT REQRD AFTER IBR

P25 1090 INCME DRVN ANNUAL APPRVL NOTICE

P35 1091 IDR FUTURE APPROVAL AFTER DEF FORB 1091 IDR FUTURE APPROVAL AFTER DEF FORB

P40 #042A-45 Days Past Due Ntc to Borrower

P42 #0041-10 Days Past Due Notice Sent

P43 #043A - 1 Payment Past Due Notice Sent

P44 #044A - 2 Payments Past Due Notice Sent

P45 #045A - 3 Payments Past Due Notice Sent

P46 #046A - 4 Payments Past Due Notice Sent

P47 #047A - 5 Payments Past Due Notice Sent

P49 #0049-Final Demand Notice Sent

P50 LTR #0050-ENDORSER FINAL DEMAND SENT

P52 PCL LTR 53 SNT

P53 PCL LTR 54 SNT

P54 #0051-Final Demand sent to CoMaker

P60 60 DAY PRECLAIM LTR SENT TO GOV'T

P65 15 DAY DELQ BOR MILOAN PRIVATE LOAN

P66 30 DAY DELQ BOR MILOAN PRIVATE LOAN

P67 45 DAY DELQ BOR MILOAN PRIVATE LOAN

P70 #042M-45 Days Past Due Ntc To CoMaker

P72 Lttr#041M-10 days past due-CoMaker-snt

P73 Lttr#043M-1 pmt past due-CoMaker-snt

P74 Lttr#044M-2 pmts past due-CoMaker-snt

P75 Lttr#045M-3 pmts past due-CoMaker-snt

P76 Lttr#046M-4 pmts past due-CoMaker-snt

P77 Lttr#047M-5 pmts past due-CoMaker-snt

P90 90 DAY PRECLAIM LTR SENT TO GOV'T

RP1 REPAYE SCHED STARTED

RP2 REPAYE SCHED CANCELED

RP3 REPAYE SCHED REPAYE EXITED

RP7 REPAYE WAIVER ACTIVITY

SAC SAN ANTONIO FEDERAL CREDIT UNION

SMC SUBSIDY LOST

SMD SUBSIDY REINSTATED

SM0 SUB ACT REJ - NOT A NEW BORR

SM1 SUB ACT REJ - BORR NOT ON SYS

SM2 SUB ACT REJ - LOAN NOT ON SYS

SM3 SUB ACT REJ - LOAN PD IN FULL

SM4 SUB ACT REJ - LOAN TRNSFRD

SM5 SUB ACT REJ - LOAN CONSOL

SM6 SUB ACT REJ - CONSOL IN PRGRS

SM7 SUB ACT REJ - LOAN IS UNSUB

SM8 SUB LOSS NA - PREV PROCESSED

SM9 SUB REIN NA - PREV PROCESSED

SXX CTOP, NON PUB NXLX

S01 ONE PMT PASTDUE DILIGENCE STATEMENT SENT

S02 TWO PMT PASTDUE DILIGENCE STATEMENT SENT

S03 THREE PMT PSTDUE DILIGENCE STATEMENT SNT

S04 FOUR PMT PASTDUE DILIGENCE STATEMENT SNT

S05 FIVE PMT PASTDUE DILIGENCE STATEMENT SNT

S06 DILIGENCE STATEMENT SNT-OVER 150 DPD

S07 Diligence Required Language on Stmt-Snt

S08 DILIGENCE STATEMENT SNT - OVER 240 DPD

S09 DILIGENCE STATEMENT SNT - OVER 180 DPD

S10 DILIGENCE STATEMENT SNT - OVER 210 DPD

S11 PASTDUE DILIGENCE STATEMENT SENT

S21 SUB SKIP INDICATOR CHANGED

S22 FIRST ACTIVITY DATE CHANGED

S23 LAST ACTIVITY DATE CHANGED

S24 DIRECTORY ASSISTANCE INQ DATE

S25 SKIP LETTER SENT DATE CHANGED

S26 RETURN MAIL RECEIVED DATE CHANGED

S27 NUMBER OF ATTEMPTS CHANGED

S28 NUMBER OF CONTACTS CHANGED

S29 RESOLVED DATE CHANGED

S30 MESSAGE CHANGED

S31 SKIP TRACE RESERVED

S32 SKIP TRACE RESERVED

S33 SKIP TRACE RESERVED

S34 SKIP TRACE RESERVED

S35 SKIP TRACE RESERVED

S73 PRIVATE LOAN SKIP LETTER

S80 SKIP LETTER TO CO-MAKER

S81 SKIP LETTER TO ENDORSER

S82 SKIP LETTER TO BENEFITTING STUDENT

S90 ONE DAY SPECIAL ALLOWANCE CORRECTION

S91 CORRECTED FVAR10 RECORDS TO FVARX

S92 SCHOOL SKIP LETTER - BORROWER

S93 PRIOR LENDER SKIP LETTER - BORROWER

S94 COMAKER SKIP LETTER - BORROWER

S95 REFERENCE SKIP LETTER - BORROWER

S96 BORROWER SKIP LETTER - REFERENCE

S97 CTOP, NL NXLX

S98 MISCELLANEOUS SKIP LETTER - BORROWER

TBA BOND TRANSFER ACROSS LIBRARIES

TBW BOND TRANSFER WITHIN LIBRARY

TDE DECONVERSION TRANSFER

TLA LENDER TRANSFER ACROSS LIBRARIES

TLW LENDER TRANSFER WITHIN LIBRARY

TSE SERIALIZATION TRANSFER

TUN TRANSFER UNDONE

T00 LTR #STMT-STATEMENT SENT

T01 10-DAY NOTICE ON STATEMENT

T03 30-DAY NOTICE ON STATEMENT

T06 60-DAY NOTICE ON STATEMENT

T09 90-DAY NOTICE ON STATEMENT

T12 120-DAY NOTICE ON STATEMENT

T27 LOAN TRANSFERRED

T30 LTR#14S1 SPLT SRVCR XFR NOTIF - NO ACH

T31 LTR#14S1 SPLT SRVCR XFR NOTIF – ACH

T32 LTR#14S1 SPLT SRVCR XFR NOTIF – BILL PAY

T33 LTR#14S1 SPLT SRVCR XFR NOTIF – ONLINE/PH

T34 LTR#14S1 SPLT SRVCR XFR NOTIF – CHECK

T40 LTR - EA27 PORTFOLIO CHANGE - NO ACH

T41 LTR - EA27 PORTFOLIO CHANGE - ACH

T42 LTR - EA27 PORTFOLIO CHANGE – BILL PAY

T43 LTR - EA27 PORTFOLIO CHANGE – ONLINE/PH

T44 LTR - EA27 PORTFOLIO CHANGE – CHECK

T50 LTR#14P1 PSLF TRANSFER NOTIF - NO ACH

T51 LTR#14P1 PSLF TRANSFER NOTIF – ACH

T52 LTR#14P1 PSLF TRANSFER NOTIF – BILL PAY

T53 LTR#14P1 PSLF TRANSFER NOTIF – ONLINE/PH

T54 LTR#14P1 PSLF TRANSFER NOTIF – CHECK

T50 LTR#14P1 PSLF TRANSFER NOTIF - NO ACH

T91 LTR - EA27 DELAYED

T92 LTR - EA27 CANCELED

T93 LTR#0188 TPD TO NELNET SERV TRANSFER

T98 ENDORSER STATEMENT

T99 Ltr #STMM-Statement sent to Co-Maker

UA1 LOAN REPORTING SCHOOL CODE CHGD

UA2 LOAN DL SCHOOL CODE CHGD

UA3 LOAN AWARD ID CHGD

UA4 LOAN CPS TRANSACTION NUM CHGD

UA5 CRC NUMBER CHGD

UA6 LOAN IN SCHOOL DEFER IND CHGD

UA7 LOAN DEPENDENCY STS CDE CHGD

UA8 LOAN ACADEMIC YR BEGIN DATE CHGD

UA9 LOAN ACADEMIC YR END DATE CHGD

UB1 LOAN ENROLLMENT DATE CHGD

UB2 LOAN TEACHER EXPERT IND CHGD

UB3 LOAN HPPA IND CHGD

UB4 LOAN LN ADDTL UNSUB ELIG IND CHGD

UB5 LOAN ORIG FEE TYPE CHGD

UB6 LOAN MPN ID CHGD

UB7 LOAN ATS ID CHGD

UB8 LOAN GRAD/SEP DATE CHGD

UB9 LN ORIG SYS SRC CHGD

UC1 MPN STS CHGD

UC2 MPN TYP CHGD

UC3 MPN EXPIRATION DATE CHGD

UC4 TRANSFERRED PMT TO

UC5 RCVD TRANSFER PMT FROM

UC6 CHANGED LOAN SERVICER PIF STATUS FROM

UC7 CONS ORIG ID CHGD

UC8 NOTIF HEROES ACT WAIVER EXPIRATION

UD1 DMCS DEBT ID CHGD

UD2 DMCS PROGRAM ID CHGD

UD3 DMCS ACCOUNT OWNER CHGD

UD4 DMCS PRINCIPAL CHGD

UD5 DMCS COLLECTION COST CHGD

UD6 DMCS INTEREST CHGD

UP1 USED FOR CONSOL INDICATORS ON COMMERCIAL

UP2 USED FOR CONSOL INDICATORS ON COMMERCIAL

U00 MASS CORRECTION (VIA PROGRAMMING)

U01 MASS CORRECTION (VIA PROGRAMMING)

U02 DO NOT USE,CONV ONLY,AUTO PAY DATA UPD

U03 COSIGNER NAME CHANGED

U04 COSIGNER SSN CHANGED

U05 COSIGNER ADDRESS CHANGED

U06 COSIGNER ADDRESS STATUS CHANGED

U07 COSIGNER HOME PHONE # CHG

U08 DUE DATE CHANGED

U09 SSN CHANGED

U10 BR LAST NAME

U11 COSIGNER EMPLOYER INFO. CHANGED

U12 COSIGNER RELATIONSHIP CHANGED

U13 CANCEL REFUND

U14 PIF SWITCH CHANGED

U15 DO NOT USE,CONV ONLY,SEP DATE CHG

U16 DO NOT USE,CONV ONLY,SEP DATE RESET

U17 COSIGNER DELETED

U18 BORROWER DATE OF BIRTH CHANGED

U19 BORROWER PERM COUNTY CHANGED

U20 DO NOT USE,CONV ONLY,SUPPRESS PRINT ADDR

U21 BR PERM ADD 1

U22 BORROWER ADDRESS SOURCE CHANGED

U23 BORROWER PERM/TEMP SW CHANGED

U24 BORROWER PERM PHONE # CHANGED

U25 BOR GRAD/SEP DATE CHG

U26 BORROWER PERM CALL TIME IND CHANGED

U27 PROMISSORY NOTE CHG

U28 BORROWER PERM FOREIGN COUNTRY CHANGED

U29 BORROWER PERM COUNTRY CHANGED

U30 PROMISSORY NOTE DATE CHG

U31 BR TEMP ADD 1

U32 BORROWER TEMP PHONE # CHANGED

U33 BORROWER EMPLOYER CHANGED

U34 BORROWER EMPLOYER PHONE # CHANGED

U35 BORR ADDRESS STATUS CHANGED TO 'SKIP'

U36 BORR ADDRESS STATUS CHANGED TO 'LEGAL'

U37 REMAINING LOAN TERM CHANGED

U38 BORROWER TEMP COUNTY CHANGED

U39 BR TEMP STATE

U40 FEES PAID YTD CHG'D

U41 FEES PAID LTD CHG'D

U42 BORR INT PAID YTD CHG'D

U43 BORR INT PAID LTD CHG'D

U44 TOTAL INT PAID YTD CHG'D

U45 TOTAL INT PAID LTD CHG'D

U46 BORR PRIN PAID YTD CHG'D

U47 BORR PRIN PAID LTD CHG'D

U48 TOTAL PRIN PAID YTD CHG'D

U49 TOTAL PRIN PAID LTD CHG'D

U50 SCHOOL CODE CHG'D

U51 GUARANTEE AGENCY CHG'D

U52 GRADE LEVEL CHG'D

U53 GUARANTEE DATE CHG'D

U54 CAPPED INT LTD CHG'D

U55 ORIGINAL LOAN TERM CHG'D

U56 ORIGINAL LOAN AMOUNT CHG'D

U57 ORIGINAL PURCHASED PRINCIPAL CHG'D

U58 BORROWER TEMP CALL TIME IND CHANGED

U59 BORROWER TEMP ADDR SOURCE CHANGED

U60 BORROWER TEMP FOREIGN COUNTRY CHANGED

U61 BORROWER TEMP COUNTRY CHANGED

U62 PROMISSORY NOTE RETURNED DATE CHG

U63 ACADEMIC PERIOD END DATE CHG'D

U64 BORROWER WORK CALL TIME IND CHANGED

U65 PREVIOUS LENDER CODE CHG'D

U66 MONTHLY PMT AMT-ORIG-CHG'D

U67 MONTHLY PMT AMT-CURRENT-CHG'D

U68 PARTIAL PMT AMT CHG'D

U69 NUM LOW PAY PERIODS CHG'D

U70 PROCURE STATUS CHANGED

U71 BORROWER SEX CHANGED

U72 BORROWER RACE CHANGED

U73 BORROWER CITIZENSHIP CHANGED

U74 BORROWER ALIEN ID NUMBER CHANGED

U75 BORROWER LEGAL RES STATE CHANGED

U76 BORROWER LEGAL RES COUNTRY CHANGED

U77 BORROWER DRIVERS LICENSE CHANGED

U78 BORROWER SCHOOL CODE CHANGED

U79 RCA DELQ 1ST NOTICE

U80 RCA CURED

U81 REJECT CODE REMOVED

U82 CLAIM FILED

U83 DO NOT USE,CONV ONLY,LOST INSURANCE

U84 DO NOT USE,CONV ONLY,INSUR REINSTATED

U85 GROUP SEP DATE CHANGED

U86 REFERENCE NAME CHANGED

U87 REFERENCE ADDRESS CHANGED

U88 REFERENCE HOME PHONE # CHG

U89 REFERENCE EMPLOYER INFO. CHANGED

U90 REFERENCE RELATIONSHIP CHANGED

U91 REFERENCE CONTACT SW CHANGED

U92 REFERENCE ADDRESS STATUS CHANGED

U93 REFERENCE DELETED

U94 REFERENCE FOREIGN COUNTRY CHG

U95 REFERENCE COUNTRY CODE CHG

U96 REFERENCE CALL TIME CHG

U97 REFERENCE WORK PHONE # CHG

U98 BORROWER BRANCH CHANGED

U99 BORROWER ENROLL DATE CHANGED

V01 CHG BR TAX DEDUCTIBLE INT ADJ

V02 CHG TAX DEDUCTIBLE INT REPORTING METHOD

V07 LTR ADJUST CHANGED

V83 BR CORRESPONDENCE

W11 DEMO CHGS RECD FROM AGENT WITH WORKSPACE

W73 WELCOME LETTER FOR PRIVATE LOANS

W79 SULA FLAG CHANGED

W80 SULA DATE CHANGED

W98 CURE UNINS INFO

W99 CLAIM PROCESS CODE, USED BY SYSTEM

XXX AUTOMATIC LETTER NOT SENT

X00 NEW BORROWER FLAG CHG

X01 SSN MERGE

X03 BR PERM STATE

X04 BR PERM ADD 2

X05 BR PERM ZIP

X06 BR PERM CITY

X07 BR MI

X08 BR TEMP ADD 2

X09 BR TEMP ZIP

X10 BR TEMP CITY

X11 BR FIRST NAME

X12 RCA DELQ 2ND NOTICE

X13 RCA DELQ 3RD NOTICE

X14 RCA DELQ 4TH NOTICE

X15 RCA SKIP 1ST NOTICE

X16 RCA SKIP CURED

X17 LOAN APPLICATION DATE CHG

X18 LOAN GUARANTEE LOAN ID CHG

X19 LOAN ACADEMIC YEAR CHG

X20 RCA DELQ ENDED BY CLM

X21 RCA SKIP ENDED BY CLM

X22 BOR ADDRESS STATUS CHG

X23 INS FEE REDUCTION - PMTS

X24 INS FEE REDUCTION - BANK DRAFT

X25 INS FEE REDUCTION - MANUAL

X26 INS FEE REDUCTION - CANCEL

X27 ORIG FEE REDUCTION - PMTS

X28 ORIG FEE REDUCTION - BANK DRAFT

X29 ORIG FEE REDUCTION - MANUAL

X30 ORIG FEE REDUCTION - CANCEL

X31 INT RATE REDUCTION - PMTS

X32 INT RATE REDUCTION - BANK DRAFT

X33 INT RATE REDUCTION - MANUAL

X34 INT RATE REDUCTION - CANCEL

X35 INT RATE REDUCTION - END

X36 PRINCIPAL REDUCTION- MANUAL

X37 PRINCIPAL REDUCTION - CANCEL

X41 SCH CERT DATE CHANGED

X42 ENROLLMENT SOURCE CHANGED

X43 DEF REG FLAG CHANGED

X44 LTR STARTING NUMBER WAS CHANGED

X48 SUPPRESSION DATE CHANGED

X49 METRO CORRECTION REASON CODE CHANGE

X51 DEPENDENT STUDENT SSN CHNG

X52 CURRENT SCHOOL CHG

X53 CURRENT BRANCH CNG

X54 OI REASON CODE CHG

X55 OI ACTIVATION DTE CHG

X56 OI DEACTIVATION DATE CHANGE

X57 OI RECORD DELETED

X58 OI DEACTIVATION DATE REACHED

X59 REFUND SENT

X60 REFUND CANCELED

X61 COMMONLINE UNIQUE ID WAS CHANGED

X62 METRO II COMP COND CODE CHG

X63 METRO II CONSUMER INFO IND CHG

X67 LOAN SOLD DATE CHANGED

X68 SERV RESP DATE CHANGED

X69 NSLDS ID CHANGED

X70 OI RECORD ADDED

X71 LN OSD CERTIFICATION DATE CHANGED

X72 LN OSD NOTIFICATION DATE CHANGED

X73 BR DATE OF DEATH CHANGED

X74 1ST PAYMENT DUE DATE CHANGED

X75 ISR PERIODS CHANGED

X77 REHAB MONTHS CHANGED

X78 REHAB DATE CHANGED

X79 CRC CODE CHANGED

X90 METRO II CII CHG-ENDORSER

X91 METRO II CII CHG-COMAKER

X99 LETTER TAG DELETED

00C RECALL PNOTE RECEIVED FROM GUAR

03A LTR#0300 ACH NOC

03B LTR#0301 ACH RETURNED NOT NSF

03C LTR#0302 ONLINE PAYMENT NOC

03D LTR#0303 ONLINE PAYMENT RETURNED NOT NSF

03E LTR#0304 PAYMENT SPC INST NOT HONORED

03F LTR#0305 PAYOFF PAYMENT NOT ENOUGH

039 #0039-Clsd School Dschg Denied Notice

040 #0040-Closed School Discharge Apprvd-Snt

050 LTR#1900 SUBSIDY LOST/CHGD LETTER

051 LTR#1901 SUBSIDY REINSTATED LETTER

052 LTR#1902 ECORR WANT TO OPT OUT LETTER

053 LTR#1903 ECORR OPT IN LETTER

055 LTR#2030 RE-AM PMT DECREASE - NO KWIKPAY

056 LTR#2031 RE-AM PMT DECREASE - W KWIKPAY

1AA CONSORTIUM LTR1

1AB DETERIORATION

1AC EXTENDED REPAYMENT DENIAL PER CONS

1AD FORB ALTERED FORM2

1AE FORB DENIED INCARCERATED

1AF FORB EXCESSIVE MAX DENIAL

1AG FORB NPD IN FUTURE

1AH GRAD FELLOW (GENERAL)

1AI IN SCHOOL CONSOL DENIAL 1

1AJ IN SCHOOL CONSOL DENIAL

1AK ISR DENIED D STATUS

1AL ISR NPD IN FUTURE

1AN MILITARY MUST BE FULL TIME

1AO NOT IN REPAYMENT

1AQ PLUS REHAB PROGRAM NOT ELIG

1AV REHAB PROGRAM NOT ELIG 1

1AW UHEAA 60 MO FORB LETTER

1AX COMAKER LTR1

1AY EH DENIAL - INCOME EXCEEDS MAX

1AZ EH DENIAL - STUD IN DEBT NOT 20%

1BA 7 DAY NOTICE

1BB 20 DAY NOTICE

1BC LTR #0400-30 DAY AB SENT

1BD LTR #0405-30 DAY BB SENT

1BE 45 DAY NOTICE

1BF LTR #0415 60 DAY BORROWER SENT

1BG 75 DAY NOTICE

1BH LTR #0430-90 DAY BORROWER SENT

1BI LTR #0450-120 DAY BORROWER SENT

1CA LTR #0410-30 DAY ENDORSER LTR

1CB LTR #0420-60 DAY ENDORSER SENT

1CC LTR #0435-120 DAY ENDORSER SENT

1CD LTR #0455-90 DAY ENDORSER SENT

1CM LTR#15CM EDPAY CONFIRM EMAIL LETTER

1CN LTR#15CN EDPAY CANCEL EMAIL LETTER

1DB LTR #0470 150 DAY BORROWER DEMAND SENT

1DC LTR #0475-150 DAY COSIGNER DEMAND SENT

1DM LTR#1000 DIFFICULTY MAKING PAYMENTS

1EA EXTENDED REPAYMENT DENIAL

1EB FMM DENIAL LTR1

1EC FORB EXCESSIVE DENIAL2

1ED INTERN DEFER PROGRAM NOT ELIG

1EE ISR DENIED

1EF ISR MAX DENIED

1EH MHESLA REGROUPING

1EI HARD FORB EXCEEDS MAX LTR 1035 SENT

1EK PARENTAL LEAVE DENIAL1 NOT IN SCH

1EL PARENTAL LEAVE DENIAL1 NOT PREGNANT

1EN PRIVATE LOAN GRADUATED REPAYMENT DENIAL

1EQ PRIVATE LOAN - FULLSAIL FORB DENIAL

1ER TEACHER LOAN FORGIVENESS

1ES TEACH SHORT AREA DENIAL1 NOT PUB PRIV

1ET TEACH SHORT AREA DENIAL1 NOT TSA

1EU TEMP DIS DENIAL LTR1 BORR

1EV TEMP DIS DENIAL LTR1 SPOUSE

1EX WORKING MOTHER DENIAL CHILD AGE

1EY WORKING MOTHER DENIAL ENTERING WORKFORCE

1EZ WORKING MOTHER DENIAL OVER MIN WAGE

1FE LTR #1057 PROOF OF INCOME LETTER

1FF LTR #1058 IBR INCOMPLETE 60-DAY FORB

1FG LTR #1142 SHORT PAY LETTER

1FI LTR #1059 PROOF OF INCOME LET COMAKER

1FJ LET# 1131 - REDUCED PYMT END NTC

1FK LET #1132 - REDUCED PMT FORB APRV COM

1IB LTR #1500 IBR TAX SIGN INCOMPLETE LTR

1L1 LTR #0290-RB BNKRUPT SENT

1L2 #0083-SCHOOL DEFERMENT APPROVAL-COMAKER

1L3 LTR #0103 CONSUMER COUNSELING LTR SENT

1MO MILITARY DEFERMENT ELIGIBILITY LETTER

1NP ONLINE PYMT SYSTEM RETURN LTR

1PC LTR #0425-60 DAY PRECLAIM TO BRRWR SENT

1PD PIF BY CONSOL - BORROWER LTR #0104

1PE PYMNT RETURNED NNF FEE LTR #0105

1RC CSR PAYMENT RETURN LTR REASON C

1RD EXT RPYMNT DNL - MIN BAL LTR

1RH LTR #1215-REHAB REPAYMENT OPT BRRWR SENT

1RI LTR #1216-REHAB REPAYMENT OPT COMKR SENT

1RP CSR PAYMENT AUTO CONFIRMATION LTR

1SB LTR #0460-129 DAY SPC BRRWR SENT

1SC LTR #0465-129 DAY SPC ENDORSER SENT

1SL SHORT PAY CONSOL PLUS LTR

1SZ SPANISH HARDSHIP FORB FRM

1TT BWR DISQUAL BOA PR PGM TIER 1

1UD LTR#1034 UNEM DEF DENY - NOT UNEM YET

1WA ACD 1ST BOUNCE BACK LETTER

1WB ACD 2ND BOUNCE BACK LETTER

1WI PAYMENT WAIVER INCENTIVE SUCCESS DATE

100 CALLER CONTACT ATTEMPT

111 DISPUTE RESOLVED – TRACKING

14A AUTO DEBIT REMINDER

150 CALLER CONTACT ATTEMPT TEXT

151 CTB, NO ANSWER

152 CTB, NI, LMTC

153 DD LEFT MESSAGE TO CALL

154 CTB, LINE BUSY

155 CTB, #DISC, CTO NO LISTING

156 CTB, #DISC, CTO NPUB

157 CTB, WR#/DISC, CTOP GV #

158 CTB, WR#/DISC, CTOP NL, TREF

159 CTB, WR#/DISC, CTOP NL, REFS EXHAUSTED

160 CTB, WK#

161 CT MESS PH#

162 CT TEMP PH#

163 CTOP, NL

164 CTOP, NPUB

165 CTB, LMTCAM

166 CTBM ATTEMPTED TO LEAVE MESSAGE TO CALL

167 BDDV ATTEMPT TO LMTC

170 D/D SATISFIED PER PREVIOUS ATTEMPT

171 CTB, CALL HANG UP

172 CTB, PRTY ACK BORR DECEASED WILL SUB REQ

177 CTBM, MDP

180 CTB, ATTEMPT IDR OUTREACH

198 ATTEMPT BORROWER FROM CONVERSION

199 ATTEMPT COSIGNER FROM CONVERSION

2AA ACH AND OVERRIDE APPRVL NOTIF LTR #0361

2AB LTR #1101 REPAYE ALT AMT NOTICE SENT

2AD ACH OVERRIDE WITH DEF-FORB LTR #0360

2BA LTR#2000 GENRL DSCHG FINAL APRVL

2BB LTR#2001 DEATH DSCHG RCPT CONF

2BC LTR#2002 DEATH DSCHG FINAL APRVL

2CA CHAPTER 7 FILED DATE

2CB CHAPTER 13 FILED DATE

2CC DISCHARGE RECEIVED

2CD ADVERSARY FILED DATE

2CE STANDARD TPD APPROVED NOTIFIED

2CF VA TPD APPROVED NOTIFIED

2CG SPECIALTY DOC APPROVED

2CH SPECIALTY DOC INCOMPLETE

2CI SPECIALTY DOC DENIED

2CJ QUICK RTN RCVD GROUP

2CK REFILE W/MANUAL TRANSMITTAL GROUP

2CL NON CH 13 ASSET CASE FILED

2CM NOTICE TO FILE POC NRD

2CN CR2788 ATB DISCHRG CVR LTR/APP SNT

2DA LTR#2010 BENSDT DTH DSCG RCPT CNF

2DB LTR#2011 BENSDT DTH DSCG FIN APRVL

2DN LTR #1107 IDR DENIAL - NO PFH SENT

2DR COUNSELED CUSTOMER ON IDR

2FA LTR #1105 IDR FORGIVENESS APPROVAL

2FB LTR #1106 IDR FORGIVENESS 6 MO NOTICE

2FD LTR #1108 FRCD IDR 3 PMTS TO EXIT SENT

2FR PER FORB APPLIED INCORRECTLY CTBM

2ID BORR COUNSEL, RTRN IDR SUPP DOCS

2KP COUNSELED CUSTOMER ON KWIKPAY

2MO MILITARY DEFERMENT DENIAL LETTER 1

2MR LTR#1110 IDR MISSED RECERT - LEGAL

2PC LTR #0440-90 DAY PRECLAIM TO BRRWR SENT

2PD PLUS GRACE END NTC LTR #0362

2PF PLUS GRACE APPRVL LTR #0364

2PG PLUS GRACE DNL DISB DATE LTR #0365

2PH PLUS GRACE DNL NO LOAN LTR #0366

2PI PLUS GRACE DNL REPAY LTR #0367

2RA LTR #1102 REPAYE RECERT NOTICE 1

2RB LTR #1103 REPAYE RECERT NOTICE 2

2RF SIGNED REAFF FORM RECEIVED

2RP LTR #1104 IBR EXIT 1 MO RPF PMT

2SB LTR #0480-170 DAY PRECLAIM BRRWR SENT

2SC LTR #0485-170 DAY PRECLAIM COSIGNER SENT

2TT BWR DISQUAL BOA PR PGM TIER 2

2V1 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

2V2 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

2V3 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

2V6 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

2V9 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

201 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

202 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

203 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

206 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

209 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

212 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

216 LTR #216-SYNCH DUE DT CHNG NTC TO BORR

250 CALLER CONTACT "CONTACT" TEXT

251 CTB,

252 CTB, STS SNT PMT

253 CTB, PTS

254 CTB, REQ SCH DEF

255 CTB, REQ FORB

256 CTB, REFUSED TO PAY, EXPLN DEFLT

257 CTB, REQ UE

258 CTB, CONTACT

259 BORR RPF/AGR W IC/TRMS/INTENT-Y

26P LTR#1073-IDR - EXIT COUNSELING

260 B/CMK RQ RPF/AGR W IC/TRMS/INTENT-Y

261 BCI,

262 BCI, STS SNT PMT

263 BCI, PTS

264 BCI, REQ SCH DEF

265 BCI, REQ FORB

266 BCI, REFUSED TO PAY, EXPLN DEFLT

267 BCI, REQ UE

268 BCI,STS IN SCHL;APPLD 60 DAY ADMN FORB

269 BCI,STS IN SCHL;SNT FORB PNDG SCH VERF

27F BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

270 D/D SATISFIED PER PREVIOUS CONTACT

271 CTOP, NL LXNX

272 CTOP, NON PUB LXNX

273 CTOP, NON PUB LXNX

274 CTOP, GAVE SAME WRG/DISC # LXNX

275 WRITE OFF DUE TO OFF SYSTEM LOAN SALE

276 BORR RQ FORB/AGREES W IC/TERMS/INTENT-Y

277 B/CMK RQ FORB/AGREES W IC/TERMS/INTENT-Y

278 BCI, INQ 1098E INTRST PD ADV

279 CTB, REQ KWIKPAY

280 CTB, REQ DEFER

281 CTB, REQ FORB

282 CTB, PROMISE TO PAY

283 CTB, PROMISE TO NELNETPAY

284 CTB, PROMISE TO IVR PAY

285 CTB, ECHECK PMT

286 CTB, ECHECK POST DATE PMT

287 CTB, ECREDIT CARD PMT

288 CTB, REQ FORB/AGREES W/IC/TERM/INTENT-Y

289 CTB, B/CM RQ FRB/AGR W/IC/TREM/INTENT-Y

29H LTR#1510 - IBR DENIAL NOT REPAY STAT

29I LTR#0721DEF DENY-NOT DISB ON/AFTR 7.1.93

29L LTR#0306 RE-AM PMT INCREASE - NO KWIKPAY

29M LTR#0151 REPURCHASE DENIAL LETTER

29N LTR#0152 REPURCHASE APPROVAL LETTER

29O LTR#1080 TCH DEN-NOT ELIG - LN TP

29P LTR#1081 TCH DEN-NOT ELIG - EXCDS

290 CTB, REQ CONSOL INFO

291 CTB, REQ GRAD PMT SCHED

292 CTB, REQ ISR

293 CTB, REQ EXTENDED TERM

294 CTB, REQ PLUS PRO PMT SCHED

295 CTB, REQ LN FORG INFO

296 CTB, FILED BKCY WILL SUBMIT RES REQ

297 OUTBOUND PHONE CALL RESOLVE

298 CONTACT BORROWER FROM CONVERSION

299 CONTACT COSIGNER FROM CONVERSION

3BK DOCUMENT SENT BACK

3BR BANKRUPTCY RECEIVED

3BS LTR #0270 BANKRUPTCY PMT OPTIONS

3CC DOCUMENT CALL COMPLETE

3CH CLEARINGHOUSE NOTIFICATION TAPE

3CI PAID BY CONSOL/GREAT LAKES 866.348.0711

3CJ PAID BY CONSOL/PHEAA 800.233.0557

3CK PAID BY CONSOL/SLMA 888.272.5543

3CL PAID BY CONSOL/NELNET 888.486.4722

3CR LTR#2020 CLAIMS APP RECIPT CONF

3CS CLEARINGHOUSE NOTIF TAPE-SSN ERROR

3DD DOCUMENT DENIED

3DL LOAN(S) MOVED FROM DEN DB PER LNDR REQ

3DN RECEIVED DEATH NOTIFICATION

3DR DOCUMENT RECEIVED

3FD HURRICANE KATRINA DISASTER FORB LTR SNT

3FE HURRICANE KATRINA DSTR EXT FORB LTR SNT

3FF HURRICANE RITA DSTR FORB LTR SNT

3FG CONVERSION FORBEARANCE LETTER

3FH BORR REQ ONGOING FIN HARDSHIP EXTENSION

3FI LTR#0065/0066 DISASTER FORB APPRVL SENT

3FR FORBEARANCE RECEIVED

3FS FORBEARANCE SENT

3HS HAND SENT FORBEARANCE APPROVAL LETTER

3JL LOAN(S) MOVED TO JAX DB PER LNDR REQ

3MC AMERICORP PMT RCVD AND ADDED TO ACCT

3MO MILITARY DEFERMENT DENIAL LETTER 2

3NC NO CHANGE

3PC LTR #0445-120 DAY PRECLAIM TO BRRWR SENT

3RD BRW STS 3RD PRTY CO; ADV NO FEE W/NELNET

3SB 181 DAY SPC BORROWER LTR SENT

3SC 181 DAY SPC ENDORSER LTR SENT

3SP DOCUMENT SENT FOR PHONE CALL

3TT BWR DISQUAL BOA PR PGM TIER 3

3VH VIRTUAL HOLD CB ATTEMPTED CONTACT CUST

3XA FSA APPROVED CLAIM

3XC SPECIALTY CLAIMS APPROVAL TEXT

3XD FSA DENIED CLAIM

300 CALLER CONTACT MISCELLANEOUS TEXT

301 BSPCI

302 CT COSIGN

303 CONSOLIDATED DISCLOSURE SENT

304 MTE SCHOOL CODE CHANGE ON BORR RECORD

305 LTR #0005-"EDU" DEFERMENT SENT

306 BACK-END COLL LTTR W/FORB SENT

307 LTR #0016 - Forb app sent to comaker

308 LTR #0015 - Forb app sent to borrower

309 LTR #0017 - Forb app sent to endorser

31A LTR #0131 REBATE DECREASE BAL MPR SENT

310 RCVD RET MAIL, CTB N/A

311 RCVD RET MAIL, CTB #DISC, CTOP GV #

312 RCVD RET MAIL, CTB #DISC, CTOP NL

313 RCVD RET Mail, CTB, LFT MSG TO CALL

314 RCVD RET MAIL, CTB VA&T

315 **RECD 95/96 CONF. FROM

316 #0035-10 Days Past Due Notice

317 LTR #0182-EXPLN OF SLS% ACCR/STAFF GRACE

318 #0098-SLS/Stafford Grace Alignment

319 CTB, ANSWERED THEN HUNGUP FOR CSLP

320 SUBMITTED SKIP

32A LTR #0132 REBATE DECREASE BAL PERM SENT

321 RCVD RET MAIL

322 CREDIT INQUIRY SNT

323 CREDIT VERIF SNT

324 ADDRESS REQUEST SENT TO SCHOOL

325 REC'D PYMNT-ACCT PD OUT-REFUND SENT

326 C REMOVED FROM BANKDRAFT

327 NSF- REDEPOSIT DATE

330 TYPED COMPLAINT**DO NOT CONTACT**

33A LTR #0133 REBATE DECREASE BAL TEMP SENT

331 SNT COMPLAINT TO COURT**DO NOT CONTACT**

332 SNT SHERIFF'S LTR**DO NOT CONTACT**

333 BORR PERSONALLY SERVED**DO NOT CONTACT**

334 TYPED JUDGMENT**DO NOT CONTACT**

336 AUTOMATIC WITHDRAWAL FORM SENT

337 LTR #0027 - TEACHERS CXL PRCSSD LTR

340 LTR #0190-PD IN FULL CVR LTR SNT-(NO PN)

34A LTR #0134 REBATE INCREASE BAL MPR SENT

341 LTR #0218-PAID IN FULL-DEATH CLAIM SENT

342 LTR #050-GENL AGD/REPY INFO SNT PER BRRW

343 LTR #0500-Separation Date Change Notice

344 LTR #0501-0515-GEN'L INFO SNT PER BRRWR

345 LTR #0516-OK TO PREPAY LOAN INFO

346 LTR #0517-INELIGB FOR TLP CXL PROGRM

347 LTR #0520-DR STMNT OF PER DISB SNT TO DR

348 LTR #0525-REQ SCHL RELEASE BRRWR TRANSCP

349 LTR #0535-EXTRA GRACE OFFRD ON SLS SNT

350 COMMENT TEXT – MISCELLANEOUS

35A LTR #0135 REBATE INCREASE BAL SENT

351 ACH AUTHORIZATION LETTER SENT

352 ACH NSF NOTIFICATION LETTER SENT

353 ACH CANCELLATION CONFIRMATION LETTER

354 ACH APPROVAL NOTIFICATION

355 RECALL PNOTES RECEIVED FROM GUARANTOR

356 STATEMENT SENT TO COMAKER

357 **** LN ** *** FEE AT REPAYMENT *%

360 LTR #0540-NO COUPS-USE MO. STMNT SNT

36A LTR #0136 REBATE ACTIVE & REFUND SENT

361 LTR #0545-Mthly pmt amt raised ntc sent

362 LTR #0550-SSN verif needed-snt rqst

363 #0560-Explanation of "Simple Interest"

364 LTR #0565-EXPLN OF PREPAY PROBLEM SNT

365 LTR #0510-EXPLN OF FORB OPTIONPER C REQ

366 LTR #0580-PREV 6MO.GRACE REQ WRTTN APRVL

367 LTR #0590-GRP PD OUT BUT OTHR GRP(S) DUE

368 LTR #0600-NOTIF NSF ON AUTODRFT ACCT SNT

370 LTR #0610-TLP PERCENTAGE AMT CXLD SENT

37A LTR #0137 REBATE LOST & REFUND SENT

371 LTR #0615-TLP CXLD/PAID IN FULL SENT

372 LTR #0620-PD PERCENTAGE AMT CXLD SENT

373 LTR #0625-PD CXLD/PAID IN FULL SENT

374 LTR #0630-REFUND INFO FROM ACCT SEND

375 LTR #0635-SCHOOL REFUND ACKNOWLDGMNT SNT

376 LTR #0640-AUTO BNK DRAFT APP RCVD SENT

377 LTR #0645-AUTO BNK DRAFT APP RTND-INFO

378 LTR #0650-AUTO BNK DRAFT EFFTV DT & AMT

379 LTR #0655-BANK DRAFT CXLED

381 LTR #0700-HLDING CK FOR PYOFF INFO. SNT

383 #0720-Def denied/Borr not eligible type

384 #0730-Def denied/Sch not in Stu Ln Prgrm

385 #0740-Def denied/End date over 6 mo past

386 #0750-Def denied/Borr not in Rpmt Status

387 #0755-Def denied/Tchr Shtg Area Not Apvd

388 #0760-Def denied/Maximum Months Used

389 #0770-Def denied/Atndnc lvl ls thn reqrd

390 #0780-Defr Deny-HT needs new ln lttr snt

391 #0790-BACK-END COLL LTTR W/FORB SENT

392 #0745-Def denied/Not seek Ft Empl in USA

393 DUE TO ERROR B/T MUSC & CLH W/D DT ON

394 #0036-Ineligible Borrower Final Demand

397 #0037-Ineligible Final Demand to CoMaker

399 MISC COLLECTION COMMENT

4AL LTR #1720 ID THEFT CERT AGREEMENT- ENCL

4AM LTR #1721 DL FALSE CERT UNAUTH SIG/PMT

4AN LTR #1722 DL UNPAID REFUND DISCHARGE

4AO LTR #1723 DL FALSE CERT ABLE TO BENEFIT

4AP LTR #1724 DL FALSE CERT DISQUAL STATUS

4AQ LTR #1725 PUB SRVC LN FORGIVENESS

4AU LTR #1727 IRS IND TAX RELEASE FORM SENT

4CB CONSOLIDATION BENEFIT LETTER

4CO LTR #1800 DL GENERAL FORBEARANCE

4CP LTR#1801 SCRA APPROVAL NOTICE

4CQ LTR#1802 SCRA END NOTICE

4CR CREDIT BUREAU RATING-SENT TO CREDIT BUR

4CS LTR#1803 SCRA NO RATE CHANGE

4CT LTR#1804 SCRA BENEFITS FORM

4CU LTR#1805-SCRA MIL ORDERS NEEDED

4CV LTR#1806-SCRA DENIAL-LOAN DATE

4CW LTR#1807-SCRA DENIAL-180 DAYS

4CX LTR#1808-SCRA 30 DAY END NOTICE

4DL BR STS HAVING DIFFICULTY MAKING PAYMENTS

4IR 1731 INCME DRVN RPY PLAN APPLICATION

4LE PROC ADJMT PER LE-CONV REQUEST FROM

4MO MILITARY DEFERMENT DENIAL LETTER 3

4RM RECD RTN MAIL

4RP LTR#0147 REPAYMENT PLAN APPROVAL LETTER

4SB 210 DAY SPC BORROWER LTR SENT

4SC 210 DAY SPC ENDRSR LTR SENT

4TT BWR DISQUAL BOA PR PGM REPAY/OFEE

400 - CONV DOCS

401 - ST CHG

402 - DEF

403 - FORB

404 - SUM INT

405 - CORR

406 - F/6

407 - F/7

408 - CONSOL DOCS

409 - CLM PCKS

410 - GRAD RYMT

411 - DLUQ LTR

412 - NOGS

413 - D/S

414 - BULLEYES

415 - CREDITS

416 - CURE CRITICAL DOCS

417 - LO CONSOL

418 - A/S

419 - EXIT INT

420 - REFS

421 - VOUCHER

422 - SMRT LN

423 - TRANSFER REJECTS

424 - TRANSFER RESALES

425 - DEAD FILES

426 - SPEC CLAIMS

427 - CLMS S/F DOCS

428 - INCOME SENSITIVE LETTER

429 - NOTICE OF CANCELLATION

430 - ADDT'L CONSOLIDATION DOCS

431 - ADDT'L CONVERSION DOCS

432 - PREV LENDER HISTORY

433 INTEREST DEDUCTION LETTER

434 RETRO MONETARY AMOUNT

435 PER SYS ADT W/NPYOUT W/TM, EXT 3 YR RL

436 VALID NEG LTR, REQ SAP STOP AS OF MPO

438 REVD PROOF OF INTERNSHIP/RESIDENCY PROG

439 ADD PREMIER CREDIT RECORDED INTEREST PD

440 PRIVATE LOAN FORBEARANCE REQUEST

441 HIST FORB/DEFR INFO ADDED NO RETRO REQ'D

444 STL INCENT- BORR OPTED FOR PB REDUCT

445 STL INCENT- BORR OPTED FOR CHECK

446 DEFAULTED PRIV LN SETUP FOR COLLECTION

447 BCI REQ DEFER, STS IN DEFER AT

450 SCH SEP DATE CHANGE - FUTURE DISB

451 RECD CREDIT DISPUTE

452 BOR REQ PLUS DEFER D21( )OR MULT DEP( )

453 BOR REQ PLUS DEFER OPT OUT

454 PER NOTIF SUB AUD TO RPT LNS REHABBED

455 CONS CHECK REC FROM:

456 RECD PCA RPT

457 RCVD CAM PCA INFO

458 RCVD RCA DETAIL/MA20

459 RCVD CAM PCA REJ

460 ACDV REQ CONF ID DELETE PER DIFF SSN

461 PER ACCT REVIEW REQUESTED PNOTE

462 CALL TO REFERENCE

490 CTOP, GAVE NEW LISTING LXNX

491 CTOP, GAVE NEW LISTING ENDORSER LXNX

499 ORIG CLM DT CHGD

5AC ACH CHANGE LETTER

5AN ACH NSF CANCELLATION LETTER

5AO ACH OVERRIDE CANCELLATION LETTER

5AP ACH ALT PMT AMT CANCELLATION LETTER

5CB LTR# 1527 REPAY ASSIST DENIAL-GENERIC

5CR NEW CRC

5DD LTR# 1516 APPROVED KP W/OVER & ALT PAY

5DE LTR# 1518 APPROVED KP WITH OVERRIDE

5DF LTR# 1522 LETTER CALL US TO EXIT IBR

5DG LTR# 1523 IDR DENIAL - LOAN TYPE

5DH LTR# 1524 IDR DENIAL - NOT IN REPAY

5DI LTR# 1525 APPLY ONLINE FOR IDR

5DJ LTR# 1526 IDR DENIAL - CLAIMS STATUS

5DK LTR# 1515 DENY KP NO OVERRIDE - DELQ LTR

5FI LTR #1505 FORCED ICR LETTER

5IA LTR #1501 ICR INTEREST ONLY APRVL LTR

5IC LTR#1504 ICR INTEREST CAP LETTER

5ID LTR# 1506 IBR INCORRECT DOCUMENT RCVD

5IN LTR# 1508 ICR INCORRECT DOCUMENT RCVD

5I1 LTR #1502 ICR IBR RENEWAL NOTICE 1

5I2 LTR #1503 ICR IBR RENEWAL NOTICE 2

5I3 LTR1068- ICR ANNUAL NOTICE SENT TO CUST

5SB 210 DAY AB BRRWR LTR SENT

5SC 210 DAY AG COSGN LTR SENT

500 INS/ORIG FEE ADJUSTMENT

51X PURCHASE LETTER

52X PURCHASE LETTER TO COMAKER

53X #0156 WELCOME LETTER

55A LTR#1528 REPAY DENIAL ACCT PAST DUE SENT

55B LTR#1529 REPAY DENIAL 1 PYMT REQ SENT

55C LTR1530: DCL-APPLY ONLINE FOR IBR/PAYE

55D LTR1531: DCL-APPLY ONLINE FOR ICR

55P 60 DAYS COMAKER - ALT

555 SUNTENN GRAD CERT RCVD

56P 120 DAYS COMAKER - ALT

570 CTE,

571 CTE, NO ANSWER

572 CTE, LINE BUSY

573 CTE, LEFT MESSAGE ON ANSWER MACHINE

574 CTE, LEFT MESSAGE ON WITH RESIDENT

576 CTE, NI LMTC

577 CTE, LMTCAM

6AB LTR#1217 COM SCRA APPRV-RATE CHG LTR

6AC LTR#1202 ACS SERVICER TO ED REPAY LTR

6AD LTR#1218 COM SCRA APPRV-NO RT CHG LTR

6AE LTR#1219 END SCRA APPRV-RATE CHG LTR

6AF LTR#1220 END SCRA APPRV-NO RT CHG LTR

6AG LTR#1201 GENERIC ED PUT REPAY LTR

6AH LTR#1222 SCRA END - NO RT CHG

6AI LTR#1223 SCRA APRV NO RCRD UNDER 6

6AJ LTR#1224 SCRA APRV NO RCRD OVER 6

6AK LTR#1225 SCRA IR LIMITATION FORM LTR

6BD ALL SKIP TRACING EFFORTS EXHAUSTED

6BE SENT EMAIL TO BORROWER

6BM SENT TARGETED SOCIAL MEDIA TO BORROWER

6BR BORR REQ NO TEXT MESS SENT TO

6BS RECD CUST EMAIL APPR FORB START/END DT

6BT SET EMAIL/TEXT/SOCIAL MEDIA TO BORROWER

6BU RECD CUST TEXT APPR FORB START/END DATE

6BV RECD CUST SOC MEDIA APPR FORB START/END

6CL LTR #0653 - ED RECALL LETTER

6CR PBO IRB

6DC LTR#1618 60-DAY DELINQUENCY NOTICE CMKR

6DL LTR#1613 60-DAY DELINQUENCY NOTICE

6EA LTR#1230 MIL DEFER GRACE EXTENSION

6ED LETTER#1617 EHD DENIAL OPTS 5 AND 6

6GP BORR REQ GRAD PAY PLAN

6ID LETTER#1615 IBR DENIAL LETTER

6ML COUNSELLED BORROWER ON MILITARY OPTIONS

6MO LETTER#1616 MILITARY ORDERS NEEDED

6ND LTR#0063 NATURAL DISASTER FORB APPROVAL

6RL LTR #0654 - ED REHAB LETTER

6SC BORR REQ CLOSED SCHOOL APP SCHLCODE

6SP BORR REQ STND PAY PLAN

6WD CTBM WRG/DISC #

601 SCH DEFERMENT RECEIVED

602 EDU DEFERMENT RECEIVED

603 UE DEFERMENT RECEIVED

604 HRD DEFERMENT RECEIVED

605 TDS DEFERMENT RECEIVED

606 PUB DEFERMENT RECEIVED

607 OTHER DEFERMENT RECEIVED

608 FC RECEIVED

609 IR RECEIVED

61A #0157 - ACS TO NELNET SERVICE TRAN LTR

61B #0158 - GL PUT TRANS LTR 1-800-236-4300

61C #0159 - GL TO NELNET SERVICE TRANS LTR

61D #0160-PHEAA PUT TRANS LTR 1-800-699-2908

61E #0161 - PHEAA TO NELNET SERVICE TRANS LT

61F #0162 - SM PUT TRANS LTR 1-800-722-1300

61G #0163 - SM TO NELNET SERVICE TRANS LTR

61H LTR #0164 - DIRECT LOAN WELCOME LETTER

61I LTR #0178 DIRECT CONSOL WELCOME LTR

61N LTR#0173 ASPIRE TO NELNET SVC TRANSER

61O LTR#0174 CORNERSTONE TO NELNET SVC TRANS

61P LTR#0175 EDFINANCIAL TO NELNET SVC TRANS

61Q LTR#0176 GRANITESTATE TO NELENT SVC TRAN

61R LTR#0177 MOHELA TO NELNET SVC TRANSFER

61S LTR#0172 VSAC TO NELENT SERVICER TRNSFR

61T LTR#0181 OSLA TO NDS SVC TRANSFER

61U LTR#0182 EDMANAGE TO NDS SVC TRANSFER

61V LTR#0183 KSA TO NDS SVC TRANSFER

61W LTR#0184 CFI TO NDS SVC TRANSFER

61X LTR#0185 COSTEP TO NDS SVC TRANSFER

61Y LTR#0186 TRUSTUDENT TO NDS SVC TRANSFER

61Z LTR#0187 FEDPREMIER TO NDS SVC TRANSFER

63A LTR# 0140 - VSAC/NN JOINT COMM XFR NOTIF

610 DO RECEIVED

611 GP RECEIVED

612 ADJ RECEIVED

613 CA ADJ RECEIVED

640 #0640- Rpmt Options Ntc sent to Borrower

642 #0402-Auth to Release Borrower Info

643 #0038-Clsd School Dschg Application

644 #0597-Credit Updated Lttr snt(Bullseye)

645 School Refund Letter

648 #0648-Clsd School Dschg Apprvl-to CoMakr

649 #0649-Rpmt Options Notice - to CoMaker

651 #0651-Inc Sens denial-pmt>std pln-borrwr

652 #0652-Inc Sens denial-pmt>std pln-CoMakr

653 #0653-Inc Sens dnl-proof of inc reqd

654 #0654-Inc Sens dnl to cmkr-inc proof rqd

666 BORROWER REQUEST EXIT IBR

667 PAYMENT CONFIRMED AFTER IBR EXITED

670 CTE,

671 CTE, SNT PMT

672 CTE, REQ SCH DEFR

673 CTE, REQ FORB

674 CTE, REFUSED TO PAY, EXPLAIN DEFAULT

675 CTE, REQ UE DEFR

676 CTOP, NL LXNX

677 CTOP, NON PUB LXNX

679 CTOP, GAVE SAME WRG/DISC # ENDORSER LXNX

680 CTE, NO ANSWER

681 CTE, BUSY

682 CTE, CONTACT

683 CTE PROMISE TO PAY

684 CTE, PROMISE TO NELNETPAY

685 CTE, PROMISE TO IVR PAY

686 CTE, REQ KWIKPAY

687 CTE, ECHECK PMT

688 CTE, ECHECK POST DATE PMT

689 CTE, ECREDIT CARD PMT

7CR LATE FEES NSF FEES

7DF LTR#1712 DL INTERNSHIP-RESID FORB FORM

7DL LTR#1713 DL LOAN DEBT BURDEN FORB FORM

7DO LTR#1714 DL REPAYMENT OPTIONS FORM

7DP LTR#0771 DENY RPY PLAN LN TYPE

7D7 BORR STS INSCH EFT AT

7EH LTR#1701 ECONOMIC HARDSHIP DEFERMENT DL

7ER LTR#1702 EDUCATION RELATED DEFERMENT DL

7FW WAIVED L/F PER ONE TIME COURTESY

7GF GRADUATE FELLOWSHIP DEFERMENT

7IB LTR#1703 ICR/IBR CONSENT TO DISC TAX DL

7ID LTR#1711 IBR ALTERNATIVE DOC FRM - DIRECT

7IF LTR#1710 IBR ALTERNATIVE DOC FRM - FFELP

7IP LTR#1716 IBR REPAYMENT PLAN FRM - FFELP

7IS LTR#1704 IN-SCHOOL DEFERMENT DL

7MD LTR#1705 MILITARY DEFERMENT

7OM LTR#1210 OMB MILITARY DEFERMENT

7PL LTR#1706 PARENTAL LV/WK MOTHER DEFR DL

7PR RECD APPR IDR RECRT REQ-PEND TO RECRT DT

7PS LTR#1707 PUBLIC SERVICE DEFERMENT DL

7RT REHABILITATION TRAINING DEFERMENT

7TD LTR#1717 TPD DISCHARGE APPLICATION

7TF LTR#1718 TEACHER LOAN FORGIVENESS APPL

7TG LTR #1719 AMERICORPS (CNCS) FORBEARANCE

7TT LTR#1708 TEMPORARY TOTAL DISABILITY DL

7UD LTR#1709 UNEMPLOYMENT DEFERMENT DL

7WD OCI (3RD PRTY) STS WR# ADV RMVD #

700 CREDIT BUREAU RATING - PAST DUE

70A LTR# 0150 QTRLY ACCT SUMMARY

701 CREDIT BUREAU RATING - COSIGNERS (P97)

702 CREDIT BUREAU RATING - PAID-IN FULL

703 CREDIT BUREAU RATING - CURRENT

710 DAY 5-CONS S/P LTR TO CONSOLIDATOR #1140

713 BORR RQ OPT OUT OF VERB IDR PRGRM

715 DAY 30-CONS S/P LTR TO CNSLIDATOR #1140

720 DAY 45-CONS S/P CALL TO CNSL, LTR TO BOR

725 DAY 55-CONS S/P CALL TO CONSOLIDATOR

729 BORR NOT OFFERED VERBAL IDR

730 DAY 90-CONS S/P CALL TO CONSOLIDATOR

735 DAY 120-CONS SP CALL TO CNSL, LTR TO BOR

737 IDR REQ INCOMPLETE PER

738 SENT IDR 10 DAY INCOMP

739 SENT IDR 25 DAY INCOMP

747 BORR REQ OPT OUT INCMPLTE IDR CALL CMPGN

75A $75 INT RATE REDUCT COUPON APPLIED

753 #0153 - NELNET PURCHASE LETTER

754 BEGIN MILITARY GRACE

755 EXPIRATION MILITARY GRACE

770 #0570-Name Change Rqrs Legal Documents

771 #0670-EFT Not Available Notice Sent

772 CORR DISBMT HIST. NO RETRO NEEDED.

773 ECMC REPURCHASE, LN(S)

776 BORR AG VERB IDR/TRMS YR INC $

777 MISDIRECTED PMNT PHONE NOTIFY COMPLETE

780 #0680-Rpchs Rqst Rspns Letter to Borr

795 VERIFIED ACTIVE DUTY DATES ON DOD SITE

796 DOD LAST NAME MATCH

799 PER RVW VERFD CONSOL SIGN DT LNS

8BE #0087 REDUCED PAYMENT FORB END LTR BOR

8BS BORROWER DEFENSE DISCHARGE

8CE #0088 REDUCED PAYMENT FORB END LTR COM

8CF #0085 REDUCED PAYMENT FORB APPVL LTR COM

8CG LTR#0830 INQ ON NELNET CRDT RPRT POLICY

8CR DISB DATE FROM TO

8CX LTR#0831 INVALID CREDIT DISPUTE LETTER

8DA LTR#0850 PYMNT RCD ZERO BAL REFUND

8DB LTR#0851 MAIL PYMNT TO CORRECT ADDRESS

8DC LTR#0852 OLD ACCT NMBR ON PAYMENTS

8DD LTR#0853 PHN NPAY RTN PYMNT

8DE LTR#0854 PYMNT RCVD CLAIM FORWARD

8DF LTR#0855 UNEM DEF BEFEFITS NEEDED

8DG LTR#0860 - 6 PMTS PAST DUE NOTICE

8DH LTR#0861- 6 PMTS PAST DUE NOTICE COMAKER

8DI LTR#0862 - 7 PMTS PAST DUE NOTICE

8DJ LTR#0863- 7 PMTS PAST DUE NOTICE COMAKER

8DK LTR#0870 - EHD OPT 1 INFO NEEDED

8DM LTR#0872 - PROOF OF INCOME LTR COMAKER

8DR DENIED IDR FS GROSS PAY PAY FREQ

8EF #0086 REDUCED PAYMENT FORB APPVL LTR END

8ER ED RECALL

8HD DENIED EHD FS GROSS PAY PAY FREQ

8PD PARTIAL DISCHARGE

8RF #0084 REDUCED PAYMENT FORB APPVL LTR BOR

8TF TEACHER LN FORGIVENESS

8UR UNPAID REFUND

80P RETURN MAIL PHONE LOCATE

800 CALLER "ATTEMPT" TEXT

803 DIALERS - NEXT CONTACT IN 3 DAYS

807 DIALERS - NEXT CONTACT IN 7 DAYS

81P BORROWER SKIP PHONE LOCATE

810 DIALERS - NEXT CONTACT IN 10 DAYS

814 DIALERS - NEXT CONTACT IN 14 DAYS

815 VENDOR SEARCH ADDRESS

816 VENDOR SEARCH PHONE

817 VENDOR SEARCH EMAIL

818 VENDOR ADDR RTND NEW

819 VENDOR ADDR RTND NO NEW

82P REPORT SKIP PHONE LOCATE

820 VENDOR PHONE RTND NEW

821 DIALERS - NEXT CONTACT IN 21 DAYS

822 VENDOR PHONE RTND NO NEW

823 VENDOR EMAIL RTND NEW

824 VENDOR EMAIL RTND NO NEW

825 ED MANAGE TRANSFER 1-855-479-0490

826 OSLA TRANSFER 1-866-264-9762

827 TRU STUD INC TRANS

828 VSAC TRANSFER 1-888-932-5626

829 KHESLC TRANSFER 1-877-292-4850

83P THIRD PARTY PHONE LOCATE

830 DIALERS - NEXT CONTACT IN 30 DAYS

831 MOHELA TRANSFER 888.866.4352 EXT 4708

832 ED FINANCIAL TRANSFER 855-337-6884

835 CORNERSTONE TRANSFER 800-663-1662

836 ASPIRE TRANSFER 855-475-3335

837 GRANITE STATE TRANSFER 888-556-0022

839 PHEAA PSLF LOAN TRANSFER 1-855-265-4038

840 GREAT LAKES PUT TRANSFER 1-800-236-4300

841 PHEAA PUT TRANSFER 1-800-699-2908

842 NAVIENT PUT TRANSFER 1-800-722-1300

843 3/21GRTLKS SB SM PUT TRNF 1-800-722-1300

845 ACS TRANSFER 800 848 0979

846 DMCS TPD REINSTATEMENT 1-800-621-3115

850 CALLER "CONTACT" TEXT

851 ADDSKP, COA ACCURINT

852 ADDSKP, NO NEW ADDRESS ACCURINT

853 ADDSKP, SAME USED ADDRESS FOUND ACCURINT

854 ADDSKP, ENDORSER COA ACCURINT

855 ADDSKP, NO NEW ENDORSER ADDRESS ACCURINT

856 ADDSKP, SAME USED END ADD FOUND ACCURINT

857 ADDSKP, COA

858 ADDSKP, NO NEW ADDRESS

859 ADDSKP, SAME USED ADDRESS FOUND

860 ADDSKP, ENDORSER COA

861 ADDSKP, NO NEW ENDORSER ADDRESS

862 ADDSKP, SAME USED ENDORSER ADDRESS FOUND

863 CTR, CONTACT

864 CTR, NI LMTC

865 CTR, LMTCAM

866 CTR, LINE BUSY

867 CTR, DISC

868 CTR, WRG#

869 CTR, HANG UP

870 CTR, NO ANSWER

871 CTR, REQ NO FUTURE CONTACT

872 CTE, DISC

873 CTE, WRG#

880 CTOP, COP ACCURINT

881 CTOP, NL ACCURINT

882 CTOP, SAME WRG/DISC# ACCURINT

883 CTOP, COP ENDORSER ACCURINT

884 CTOP, NL ENDORSER ACCURINT

885 CTOP, SAME ENDORSER WRG/DISC# ACCURINT

886 PHOSKP, COP

887 PHOSKP, NO NEW PHO

888 PHOSKP, SAME WRG/DISC# PHO

889 PHOSKP, ENDORSER COP

890 PHOSKP, NO NEW ENDORSER PHO

891 PHOSKP, SAME ENDORSER WRG/DISC# PHO

892 CTB, DISC

893 CTB, WRG#

894 CTOP-BORROWER

895 CTOP-ENDORSER

896 ATTENTION EP

897 CONSOL FINAL

898 PRIOR TO CONSOL EH UD

899 RECD APPR SERVICEMEMBER RELIEF ACT LN

9BC BORROWER PAYMENT W/120 DAYS OVER/UNDER

9BD BR PAY W/120 DAYS OF DISB PRIOR BARRIER

9BE BORROWER PAYMENT PRIOR TO BARRIER

9BN LTR# 1300 BORROWER BENEFIT NOTIFICATION

9BO OVER PAY BORROWER PIF PAYMENT

9BP BORROWER PYMNT (PART/OVER) PRIOR BARRIER

9B5 BOR PYMNT W/IN $5 OF PY PRIOR TO BARRIER

9CI CH INTEREST RATE OR PRIN/INT BAL

9CL CHANGE IN LOAN TYPE

9CN CONSOL RVW FOR RE-GROUPING COMPLETED

9CP CONSOLIDATION PAYMENT PRIOR TO BARRIER

9CR REPAY SCHED-PAYMENT REDUCTION

9CS COMPLETED WIP NON MONETARY CHANGES

9CT COMPLETED WIP MONETARY CHANGES

9CV PEND CLAIM FOR PAYMENT

9CW CLAIM PAYMENT PRIOR TO BARRIER

9CX TRANSFERRED MONETARY CHANGES

9CY TRANSFERRED NON MONETARY CHANGES

9C1 SHORT PAY CLAIM PAYMENT

9C2 OVER PAY CLAIM PAYMENT

9C3 SHORT PAY CONSOLIDATION PAYMENT

9C4 CONS OVERAGE OR DISB OVERAGE

9DC BR RQ ICR FS# XT LNS ?-MARD ?- JNT RPY ?

9DD DEATH AND DISABILITY PAYMENT REFUND

9DF DEFERMENT APPROVAL NOTICE

9DI BR REQ FS #

9DL DISB UPDATE FROM LOCKBOX

9DM LOAN HAS BEEN ASSIGNED TO DMCS

9DN LOAN HAS BEEN ASSIGNED TO CDDTS

9DP BR RQ DFR EFF

9DR BORR REQ FFELP/DIRECT

9DS BORR REQ SCRA

9DU BR REQ U-DEFER EFF OPTION

9DV FUTURE DEFR VERB COMMUNIC

9DW OLD STAFFORD (DW) POST-DEF GRACE

9DX FUTURE DEFR VERB COM CMKR

9DY CHNG ORIG DUE DT DUE TO 9 DAY ACTIVITY

9DZ OLD STAFFORD (DZ) POST-DEF AND FORB LNS

9EF EXHAUST OPTIONS ADDTNL FORB TIME APPRVD

9EH BR REQ EHD EFF FS OPTION PAY FREQ

9EL BR REQ LOAN DEBT BURDEN FORB EXT LNS Y/N

9FV FUTURE FORB COMMUNICATION LETTER

9FW FUTURE FORB COMMUNICATION LETTER COMAKER

9GL #1350 GL POST-DECONVERSION PMT

9IG CUST REQ IBR, I40 LNS, PROC AFTER CONVT

9KP LTR# 1517 ACH W/OVERRIDE DELQ

9DV FUTURE DEFR VERB COMMUNIC

9DW OLD STAFFORD (DW) POST-DEF GRACE

9DX FUTURE DEFR VERB COM CMKR

9DY CHNG ORIG DUE DT DUE TO 9 DAY ACTIVITY

9DZ OLD STAFFORD (DZ) POST-DEF AND FORB LNS

9EF EXHAUST OPTIONS ADDTNL FORB TIME APPRVD

9EH BR REQ EHD EFF FS OPTION PAY FREQ

9EL BR REQ LOAN DEBT BURDEN FORB EXT LNS Y/N

9FU DISREGARD 27F PER INELIGIBLE FORB

9FV FUTURE FORB COMMUNICATION LETTER

9FW FUTURE FORB COMMUNICATION LETTER COMAKER

9GL #1350 GL POST-DECONVERSION PMT

9HA RECD HEROES ACT WAIVER REQ START/END

9HD HELP DESK CALL

9IG CUST REQ IBR, I40 LNS, PROC AFTER CONVT

9KP LTR# 1517 ACH W/OVERRIDE DELQ

9LC LEGAL STS PER DOCS RCVD. RVW W/IN 15 DYS

9MD BORR MILITARY DEFER REQ DENIED

9ML PER SCRA REQ BORR DENIED

9NO NELNET OPT BORR OUT OF MSM PILOT PRGM

9NS NSF OR CANCELED PAYMENT PRIOR BARRIER

9OI BORR OPT-IN TO MSM-PILOT PRGM

9OO BORR OPT-OUT OF MSM PILOT PRGM

9OU OV/UN BR PYMT W/120 DAYS OF DISB BARRIER

9PD REPAY SCHED-PARTIAL DEF--SCH PART PAYOFF

9PH #1351 PHEAA POST-DECONVERSION PMT

9PL CONS NOT ELIG IBR/PAYE DUE TO PLUS LNS

9PP LNSOF OF PUB ASSIST LETTER

9PS LN UNPUT NAVNT 800-835-1484

9PT LN UNPUT TO USBANK LTR SNT

9PU LN PUT TO EDSRVCR (800-508-1378) LTR SNT

9PX REPAY SCHED-PARTIAL DEF--SCH PAYOUT

9QM QM SENT NO MILT DOCS RCVD

9RB REPAY SCHED-REPURCHASE BANKRUPTCY

9RD REPAY SCHED-REPURCHASE REHAB OR DEFAULT

9RP PYMNT CORR /REALLOCATION PRIOR BARRIER

9RR REPURCHASE OR REHAB ACCOUNT

9SC SUB FOR SSC ASSISTANCE PER NRD

9SI CONTINUING SPECIAL PAYMENT INSTRUCTIONS

9SM #1352 SM POST-DECONVERSION PMT

9SR SCHOOL REFUNDS PRIOR TO BARRIER

9SX CANCELLED SPECIAL PAYMENT INSTRUCTIONS

9SZ LTR #0071- 30 DAY PAY OFF LETTER

9S9 #0920 SKIP TO BOR FOR COMAKER INFO LTR

9TD BR USED MAX TIME LNDEBT FORB DO NOT PROC

9TE BR USED MAX TIME EH DEF DO NOT PROC DEF

9TF BR USED MAX TIME FORB DO NOT PROC FORB

9TG CANC ACS TEACH GRANT LN ADDED IN ERROR

9TP TPD COLLECT SUSP DUE DT

9TT BR USED MAX TIME TEMP DISB DO NOT PROC

9TU BR USED MAX TIME U DEF DO NOT PROC DEF

9T8 RECEIVED RETURNED MAIL; TAX FORM 1098E

9T9 RECEIVED RETURNED MAIL; TAX FORM 1099C

9VO DUE DILIGENCE VIOLATION HISTORY

9WF SNT WELCME LRT W NEW CONTACT INFO WFEFS3

9WV HEROES ACT WAIVER MAX TIME USED

900 NELNET/GCO ACH AGREEMENT RECEIVED

901 PER FAILED LETTER

903 DIALERS - GUARANTOR NEXT CONT IN 3 DAYS

907 DIALERS - GUARANTOR NEXT CONT IN 7 DAYS

910 DIALERS - GUARANTOR NEXT CONT IN 10 DAYS

914 DIALERS - GUARANTOR NEXT CONT IN 14 DAYS

921 DIALERS - GUARANTOR NEXT CONT IN 21 DAYS

930 DIALERS - GUARANTOR NEXT CONT IN 30 DAYS

931 1ST PYMT DUE DATE OFF OF UNISTAR

936 GRACE DAYS CHANGED

94A LTR #0094 MIL DEFER DENY MAND FORB

942 NOT ELG SUNTRUST AUTO DBT

949 PER BELOW DISREGARD LOCATE

950 RETURN MAIL ADDRESS LOCATE

951 BORROWER SKIP ADDRESS LOCATE

952 REPORT SKIP ADDRESS LOCATE

953 THIRD PARTY ADDRESS LOCATE

954 CORE SKIP LOCATE

955 CORE SKIP LOCATE P RPT

956 PRIVATE LOAN LOCATE

957 RESOLUTION SKIP LOCATE

958 RESOLVED DELINQUENCY

959 PROMISE TO PAY

96A LTR #0096 HEROES ACT WAIVER DENIAL LTR

96B LTR #0097 HEROES ACT WAIVER FORM

960 RETURN MAIL OTHER LOCATE

961 FORB/DEFER END NOTICE OF REAMORITIZATION

962 PER RETRO ADJ CAP RE-AM GRP

963 USE ADDTL- MO DEFER/FORB TO CALC TERM

964 ACH OVERRIDE SWITCH REQUEST FORM

965 ACH OVERRIDE SWITCH APPROVAL LETTER

966 ACH OVERRIDE SWITCH DENIAL LETTER

967 ORIG MPN ON IMAGING DATED:

970 ALTERNATE ACH AMOUNT REQUEST FORM

971 ALTERNATE ACH AMOUNT APPROVAL LETTER

972 ALTERNATE ACH AMOUNT DENIAL LETTER

975 CONSORT LN TRNSF 1/1/05 TO NELNET CNCLED

976 BORROWER REQUEST FOR EARLY REPAYMENT

977 BOR REQ FOR EARLY REPAYMENT - EXTERNAL

98B REDISCLOSED TO UPDATE TAX INFO

982 NELNET/SUNTRUST ACH AGREEMENT RECEIVED

983 PER FINAL SKIP

984 PER PRIVATE LOAN

985 ALL SCHOOL CODES IN FILE

986 PER FILE REVIEW

987 PER FINAL SKIP

988 PER PRIVATE LOAN

989 PER 150 DAY REVIEW

990 PER 150 DAY REVIEW

991 VERIFIED BORR EMAIL

992 BCI REQ INFO ON PSLF PROG ADV AC

993 BORR RTN SUPP DOCS/DEFER	994 BORR RTN SUPP DOCS	995 BORR RTN SUPP DOCS	999 ADD PREMIER CREDIT RECORDED INTEREST PD

Nelnet Approved Abbreviations

	Word/Phrase	Abbreviation
A	Account	ACCT
	Accrued	ACCR
	Account Maintenance	AM
	Acknowledge	ACK
	Address	ADD
	Adjustment	ADJ
	Administration	ADMIN
	Advise	ADV
	Altered	ALT
	Amortization Schedule	AMORT SCHED
	Amount	AMT
	Annual	ANN
	Anticipated	ANTI
	Anticipated Graduation Date	AGD
	Applicable	APPLIC
	Application	APP
	Applied	APPL
	Approved	APPR
	Approximate	APPROX
	As Soon as Possible	ASAP
	Assignment	ASSIGN
	Assistant	ASST
	At Least Half-time	ALHT
	Attendance	ATTEND
	Attendance Verification Form	AVF
	Attention	ATTN
	Attorney	ATTY
	Authorization	AUTH
	Automatic	AUTO
	Average	AVG
	Aversions	AVR
B	Balance	BAL
	Bankruptcy	BKY
	Begin	BGN
	Borrower	BORR
	Borrower Called In	BCI
	Borrower e-mailed In (received e-mail from borrower)	BEI
C	Calculate	CALC
	Call to Borrower	CTB
	Cancel	CANC

	Capitalized	CAP
	Certified	CERT
	Change	CHNG
	Change of Address	COA
	Change of Phone	COP
	Change of Name	CON
	Charge	CHRG
	Check	CK
	Claim Reimbursement Form	CRF
	Claims	CLM
	Client Accounting	CA
	Close of Business	COB
	Comaker	COM
	Consolidation	CONS
	Conversion	CONV
	Correct	OK
	Correspondence	CORR
	Current	CURR
	Current principal balance	CPB
	Customer Service Department	CSD
D	Date	DT
	Deferment	DEFER
	Decline	DECL
	Delinquent	DELINQ
	Department	DEPT
	Dependent	DEPEND
	Different	DIFF
	Discrepancy	DISCREP
	Discharge	DSCHG
	Disability	DISAB
	Disbursement	DISB
	Disclosure	DISCL
	Disconnected	DC
	Document	DOC
	Due diligence	DD
	Duplicate	DUP
E	Economic Hardship	ECON HARDSHP
	Effective	EFF
	Electronic Funds Transfer	EFT
	Eligible	ELIG
	Employed	EMP
	End of month	EOM
	End of week	EOW
	End of year	EOY
	Endorser	ENDRSR
	Enrollment verification form	EVF
	Error	ERR
	Expire	EXP
	Exhaust Priority of Solutions Counseling	EXHAUST POS
F	Federal Family Education Loan Program	FFELP
	Final Demand	FD

	Finance Charge	FIN
	Federal Direct Loan Program	FDLP
	Financial Aid Office/Officer	FAO
	Forbearance	FORB
	Full-time	FT
G	Gave	GV
	Government	GOVT
	Graduation	GRAD
	Group	GRP
	Guarantee	GNTE
	Guarantor	GNTR
H	Half-time	HT
	History	HIST
I	Identification	ID
	Immediately	IMMED
	Income based repayment	IBR
	Income contingent repayment	ICR
	Income sensitive repayment	ISR
	Incomplete	INCOMPL
	Individual	INDIV
	Ineligible	INELIG
	Information	INFO
	Interest	INT
	Issue	ISS
L	Last date of attendance	LDA
	Late	LT
	Leave of Absence	LOA
	Left message to call	LMTC
	Lender	LNDR
	Less Than Half-time	LTHT
	Letter	LTR
	Level	LVL
	Loan	LN
	Manager	MGR
	Master Promissory Note	MPN
	Maximum	MAX
	Message	MSG
	Minimum	MIN
	Monetary	MON
	Month	MO
	Multiple	MULTI
N	Necessary	NEC
	Nelnet Receipt Date	NRD
	Next	NXT
	Next Payment Due	NPD
	No Answer	NA
	Non-Subsidized	NON-SUB
	Not available	N/AVAL
	Note	NT
	Notice of Guarantee	NOG

	Number	#
O	Old Value	OV
	Options	OPT
	Original/Origination	ORIG
	Other Party e-mailed In (receive e-mail from third party)	OEI
	Over billed	OVBILL
P	Page	PG
	Paid	PD
	Paid in Full	PIF
	Federal PLUS Program	PLUS
	Partial	PART
	Payment	PMT
	Payoff	POF
	Percent	%
	Period	PRD
	Phone	PHO
	Previous	PREV
	Principal	PRIN
	Problem	PROB
	Procedure	PRO
	Process/Processing	PROC
	Program	PROG
	Promissory Note	P-NOTE
	Promise to Pay	PTP
	Public Service Loan Forgiveness	PSLF
Q	Quality	QUAL
	Quarter	QTR
	Question	QUES
R	Receive	RECV
	Refinance	REFIN
	Refused Priority of Solutions Counseling	REFUSED POS
	Regulations	REGS
	Reject	REJ
	Repayment	REPAY
	Report	RPT
	Representative	REP
	Request	REQ
	Response	RESP
	Return	RTN
S	Schedule	SCHED
	School	SCH
	Separation	SEP
	Sequence	SEQ
	Servicer	SVCR
	Should be	S/B
	Signature	SIGN
	Signed	SGND
	Social Security Number	SSN
	Special Allowance Payment	SAP
	Specialist	SPEC

	Stafford	STAF
	Statement	STMT
	States	STS
	Status	STAT
	Student	STDT
	Student	ST
	Submit	SUB
	Subsidized	SUBS
	Supervisor	SUP
T	Technical	TECH
	Telephone Number	PHO#
	Total	TTL
	Transaction	TRANS
U	Unemployed/Unemployment	UNEM
	Unknown	UNKN
	University	UNIV
	Unsubsidized	UNSUB
	Update	UPDT
V	Verified Address and Phone	VAP
	Verification/Verify	VERIF
W	Wanted To Know	WTK
	Week	WK
	With	W/
	Without	W/O
	Wrong Number	WR#
Y	Year	YR

Deferment and Forbearance History and Code Listing

Military grace periods, deferments, and forbearances are shown in order by date (most recent to oldest) and sequence number. Within that order, they are sorted by deferment or forbearance type. The borrower SSN and name, group number, loan number, and type of deferment or forbearance are displayed at the top left of the screen.

D10 CONS SCHOOL (FULL TIME)

D10 DLCP SCHOOL (STUDENT F.T.)

D10 DLCS SCHOOL (STUDENT F.T.)

D10 DLGD SCHOOL (FULL TIME)

D10 DLPP SCHOOL (STUDENT F.T.)

D10 DLPS SCHOOL (STUDENT F.T.)

D10 DLSC SCHOOL (STUDENT F.T.)

D10 DLSS SCHOOL (STUDENT F.T.)

D10 DLSU SCHOOL (STUDENT F.T.)

D10 DLTL SCHOOL (STUDENT F.T.)

D10 FISL SCHOOL (FULL TIME)

D10 GRAD SCHOOL (STUDENT F.T.)

D10 PERK SCHOOL (STUDENT F.T.)

D10 PLUS SCHOOL (STUDENT F.T.)

D10 SLS SCHOOL (FULL TIME)

D10 STAF SCHOOL (FULL TIME)

D10 STAU SCHOOL (FULL TIME)

D11 FISL SUMMER

D11 GRAD SUMMER

D11 PLUS SUMMER

D11 SLS SUMMER

D11 STAF SUMMER

D11 STAU SUMMER SCHOOL

D12 DLPP SCHOOL (DEPENDENT ENROLLED)

D12 DLPS SCHOOL (DEPENDENT ENROLLED)

D12 PLUS SCHOOL (DEPENDENT ENROLLED)

D13 FISL SCHOOL (1/2 TIME)

D13 GRAD SCHOOL (STUDENT 1/2 TIME)

D13 PLUS SCHOOL (STUDENT 1/2 TIME)

D13 SLS SCHOOL (1/2 TIME)

D13 STAF SCHOOL (1/2 TIME)

D13 STAU SCHOOL (1/2 TIME)

D14 CONS GRADUATE FELLOWSHIP

D14 DLCP GRADUATE FELLOWSHIP

D14 DLCS GRADUATE FELLOWSHIP

D14 DLGD STUDENT GRAD. FELLOWSHIP

D14 DLPP GRADUATE FELLOWSHIP

D14 DLPS STUDENT GRAD. FELLOWSHIP

D14 DLSC GRADUATE FELLOWSHIP

D14 DLSS GRADUATE FELLOWSHIP

D14 DLSU GRADUATE/FELLOWSHIP

D14 DLTL GRADUATE/FELLOWSHIP

D14 FISL GRADUATE FELLOWSHIP

D14 GRAD STUDENT GRAD. FELLOWSHIP

D14 PERK GRADUATE/FELLOWSHIP

D14 PLUS STUDENT GRAD. FELLOWSHIP

D14 SLS GRADUATE FELLOWSHIP

D14 STAF GRADUATE FELLOWSHIP

D14 STAU GRADUATE/FELLOWSHIP

D16 FISL MILITARY/PUBLIC HEALTH

D16 GRAD MILITARY/PUBLIC HEALTH

D16 PLUS MILITARY/PUBLIC HEALTH

D16 SLS MILITARY/PUBLIC HEALTH

D16 STAF MILITARY/PUBLIC HEALTH

D16 STAU MILITARY/PUBLIC HEALTH

D17 FISL NOAA

D17 SLS NOAA

D17 STAF NOAA

D17 STAU NOAA

D18 FISL PEACE CORPS

D18 GRAD PEACE CORPS

D18 PLUS PEACE CORPS

D18 SLS PEACE CORPS

D18 STAF PEACE CORPS

D18 STAU PEACE CORPS

D19 FISL VISTA (ACTION)

D19 GRAD VISTA (ACTION)

D19 PLUS VISTA (ACTION)

D19 SLS VISTA (ACTION)

D19 STAF VISTA (ACTION)

D19 STAU VISTA (ACTION)

D20 DLPP PLUS IN SCHOOL PERIOD

D20 DLPS PLUS IN SCHOOL PERIOD

D20 PLUS PLUS IN SCHOOL PERIOD

D21 DLGD POST ENROLLMENT DEFERMENT

D21 DLPP POST ENROLLMENT DEFERMENT

D21 DLPS POST ENROLLMENT DEFERMENT

D21 GRAD POST ENROLLMENT DEFERMENT

D21 PLUS POST ENROLLMENT DEFERMENT

D22 FISL TAX EXEMPT ORGANIZATION

D22 GRAD TAX EXEMPT ORGANIZATION

D22 PLUS TAX EXEMPT ORGANIZATION

D22 SLS TAX EXEMPT ORGANIZATION

D22 STAF TAX EXEMPT ORGANIZATION

D22 STAU TAX EXEMPT VOLUNTEER

D23 DLCP ECONOMIC HARDSHIP

D23 DLCS ECONOMIC HARDSHIP

D23 DLGD ECONOMIC HARDSHIP

D23 DLPP ECONOMIC HARDSHIP

D23 DLPS ECONOMIC HARDSHIP

D23 DLSC ECONOMIC HARDSHIP

D23 DLSS ECONOMIC HARDSHIP

D23 DLSU ECONOMIC HARDSHIP

D23 DLTL ECONOMIC HARDSHIP

D23 PERK ECONOMIC HARDSHIP

D24 CONS UNEMPLOYMENT

D24 FISL UNEMPLOYMENT

D24 GRAD UNEMPLOYMENT

D24 PLUS UNEMPLOYMENT

D24 SLS UNEMPLOYMENT

D24 STAF UNEMPLOYMENT

D24 STAU UNEMPLOYMENT

D25 CONS UNEMPLOYMENT

D25 FISL UNEMPLOYMENT

D25 GRAD UNEMPLOYMENT

D25 PLUS UNEMPLOYMENT

D25 SLS UNEMPLOYMENT

D25 STAF UNEMPLOYMENT

D25 STAU UNEMPLOYMENT

D26 CONS TEMPORARY DISABILITY

D26 FISL TEMPORARY DISABILITY

D26 GRAD TEMPORARY DISABILITY

D26 PLUS TEMPORARY DISABILITY

D26 SLS TEMPORARY DISABILITY

D26 STAF TEMPORARY DISABILITY

D26 STAU TEMP TOTAL DISABILITY

D28 CONS REHABILITATION TRAINING

D28 DLCP REHABILITATION TRAINING

D28 DLCS REHABILITATION TRAINING

D28 DLGD STUDENT REHAB. TRAINING

D28 DLPP REHABILITATION TRAINING

D28 DLPS STUDENT REHAB. TRAINING

D28 DLSC REHABILITATION TRAINING

D28 DLSS REHABILITATION TRAINING

D28 DLSU REHABILITATION TRAINING

D28 DLTL REHABILITATION TRAINING

D28 FISL REHABILITATION TRAINING

D28 GRAD STUDENT REHAB. TRAINING

D28 PERK REHABILITATION TRAINING

D28 PLUS STUDENT REHAB. TRAINING

D28 SLS REHABILITATION TRAINING

D28 STAF REHABILITATION TRAINING

D28 STAU REHABILITATION TRAINING

D30 FISL INTERNSHIP/RESIDENCY

D30 GRAD INTERNSHIP/RESIDENCY

D30 PLUS INTERNSHIP/RESIDENCY

D30 SLS INTERNSHIP/RESIDENCY

D30 STAF INTERNSHIP/RESIDENCY

D30 STAU INTERNSHIP/RESIDENCY

D31 DLCP MILITARY/PUBLIC HEALTH

D31 DLCS MILITARY/PUBLIC HEALTH

D31 DLPP MILITARY/PUBLIC HEALTH

D31 DLPS MILITARY/PUBLIC HEALTH

D31 DLSC MILITARY/PUBLIC HEALTH

D31 DLSS MILITARY/PUBLIC HEALTH

D31 DLSU MILITARY/PUBLIC HEALTH

D31 DLTL MILITARY/PUBLIC HEALTH

D31 PERK MILITARY/PUBLIC HEALTH

D32 FISL PARENTAL LEAVE

D32 SLS PARENTAL LEAVE

D32 STAF PARENTAL LEAVE

D32 STAU PARENTAL LEAVE

D33 DLCS NOAA

D33 DLGD NOAA

D33 DLSS NOAA

D33 DLSU NOAA

D33 DLTL NOAA

D33 PERK NOAA

D34 FISL WORKING MOTHER

D34 SLS WORKING MOTHER

D34 STAF WORKING MOTHER

D34 STAU WORKING MOTHER

D36 DLCP TEACHER SHORTAGE

D36 DLCS TEACHER SHORTAGE

D36 DLPP TEACHER SHORTAGE

D36 DLSC TEACHER SHORTAGE

D36 DLSS TEACHER SHORTAGE

D36 DLSU TEACHER SHORTAGE

D36 DLTL TEACHER SHORTAGE

D36 FISL TEACHER SHORTAGE

D36 PERK TEACHER SHORTAGE

D36 SLS TEACHER SHORTAGE

D36 STAF TEACHER SHORTAGE

D36 STAU TEACHER SHORTAGE

D38 CONS ECONOMIC HARDSHIP

D38 FISL ECONOMIC HARDSHIP

D38 GRAD ECONOMIC HARDSHIP

D38 PLUS ECONOMIC HARDSHIP

D38 SLS ECONOMIC HARDSHIP

D38 STAF ECONOMIC HARDSHIP

D38 STAU ECONOMIC HARDSHIP

D41 FISL SCHOOL DEFR PER APPL

D41 GRAD SCHOOL DEFR PER APPL

D41 PLUS SCHOOL DEFR PER APPL

D41 SLS SCHOOL DEFR PER APPL

D41 STAF SCHOOL DEFR PER APPL

D41 STAU SCHOOL DEFR PER APPL

D42 FISL HALF TIME DEFR PER APPL

D42 GRAD HALF TIME DEFR PER APPL

D42 PLUS HALF TIME DEFR PER APPL

D42 SLS HALF TIME DEFR PER APPL

D42 STAF HALF TIME DEFR PER APPL

D42 STAU HALF TIME DEFR PER APPL

D43 DLCP HEROES ACT DEFERMENT

D43 DLCS HEROES ACT DEFERMENT

D43 DLGD HEROES ACT DEFERMENT

D43 DLPP HEROES ACT DEFERMENT

D43 DLPS HEROES ACT DEFERMENT

D43 DLSC HEROES ACT DEFERMENT

D43 DLSS HEROES ACT DEFERMENT

D43 DLSU HEROES ACT DEFERMENT

D43 DLTL HEROES ACT DEFERMENT

D43 FISL HEROES ACT DEFERMENT

D43 GRAD HEROES ACT DEFERMENT

D43 PERK HEROES ACT DEFERMENT

D43 PLUS HEROES ACT DEFERMENT

D43 SLS HEROES ACT DEFERMENT

D43 STAF HEROES ACT DEFERMENT

D43 STAU HEROES ACT DEFERMENT

D44 CONS MILITARY DEFERMENT

D44 DLCP MILITARY DEFERMENT

D44 DLCS MILITARY DEFERMENT

D44 DLGD MILITARY DEFERMENT

D44 DLPP MILITARY DEFERMENT

D44 DLPS MILITARY DEFERMENT

D44 DLSC MILITARY DEFERMENT

D44 DLSS MILITARY DEFERMENT

D44 DLSU MILITARY DEFERMENT

D44 DLTL MILITARY DEFERMENT

D44 FISL MILITARY DEFERMENT

D44 GRAD MILITARY DEFERMENT

D44 PERK MILITARY DEFERMENT

D44 PLUS MILITARY DEFERMENT

D44 SLS MILITARY DEFERMENT

D44 STAF MILITARY DEFERMENT

D44 STAU MILITARY DEFERMENT

D46 CONS MILITARY EXTEN (NON SCHOOL)

D46 DLCP MILITARY EXTEN (NON SCHOOL)

D46 DLCS MILITARY EXTEN (NON SCHOOL)

D46 DLGD MILITARY EXTEN (NON SCHOOL)

D46 DLPP MILITARY EXTEN (NON SCHOOL)

D46 DLPS MILITARY EXTEN (NON SCHOOL)

D46 DLSC MILITARY EXTEN (NON SCHOOL)

D46 DLSS MILITARY EXTEN (NON SCHOOL)

D46 DLSU MILITARY EXTEN (NON SCHOOL)

D46 DLTL MILITARY EXTEN (NON SCHOOL)

D46 FISL MILITARY EXTEN (NON SCHOOL)

D46 GRAD MILITARY EXTEN (NON SCHOOL)

D46 PERK MILITARY EXTEN (NON SCHOOL)

D46 PLUS MILITARY EXTEN (NON SCHOOL)

D46 SLS MILITARY EXTEN (NON SCHOOL)

D46 STAF MILITARY EXTEN (NON SCHOOL)

D46 STAU MILITARY EXTEN (NON SCHOOL)

D47 DLCP TAX EXEMPT ORGANIZATION EMPT

D47 DLCS TAX EXEMPT ORGANIZATION

D47 DLPP TAX EXEMPT ORGANIZATION

D47 DLPS TAX EXEMPT ORGANIZATION

D47 DLSC TAX EXEMPT ORGANIZATION

D47 DLSS TAX EXEMPT ORGANIZATION

D47 DLSU TAX EXEMPT ORGANIZATION

D47 DLTL TAX EXEMPT ORGANIZATION

D47 PERK TAX EXEMPT ORGANIZATION

D48 DLCP TEMP TOTAL DISABILITY

D48 DLCS TEMP TOTAL DISABILITY

D48 DLGD TEMP TOTAL DISABILITY

D48 DLPP TEMP TOTAL DISABILITY

D48 DLPS TEMP TOTAL DISABILITY

D48 DLSC TEMP TOTAL DISABILITY

D48 DLSS TEMP TOTAL DISABILITY

D48 DLSU TEMP TOTAL DISABILITY

D48 DLTL TEMP TOTAL DISABILITY

D48 PERK TEMP TOTAL DISABILITY

D51 DLCP VISTA (ACTION)

D51 DLCS VISTA (ACTION)

D51 DLPP VISTA (ACTION)

D51 DLPS VISTA (ACTION)

D51 DLSC VISTA (ACTION)

D51 DLSS VISTA (ACTION)

D51 DLSU VISTA (ACTION)

D51 DLTL VISTA (ACTION)

D51 PERK VISTA (ACTION)

D52 DLCP WORKING MOTHER

D52 DLCS WORKING MOTHER

D52 DLPP WORKING MOTHER

D52 DLSC WORKING MOTHER

D52 DLSS WORKING MOTHER

D52 DLSU WORKING MOTHER

D52 DLTL WORKING MOTHER

D52 PERK WORKING MOTHER

D53 DLCP PARENTAL LEAVE

D53 DLCS PARENTAL LEAVE

D53 DLPP PARENTAL LEAVE

D53 DLSC PARENTAL LEAVE

D53 DLSS PARENTAL LEAVE

D53 DLSU PARENTAL LEAVE

D53 DLTL PARENTAL LEAVE

D53 PERK PARENTAL LEAVE

D54 DLCP PEACE CORPS

D54 DLCS PEACE CORPS

D54 DLPP PEACE CORPS

D54 DLPS PEACE CORPS

D54 DLSC PEACE CORPS

D54 DLSS PEACE CORPS

D54 DLSU PEACE CORPS

D54 DLTL PEACE CORPS

D54 PERK PEACE CORPS

D55 CONS MILITARY DEFERMENT

D55 DLCP MILITARY DEFERMENT

D55 DLCS MILITARY DEFERMENT

D55 DLGD MILITARY DEFERMENT

D55 DLPP MILITARY DEFERMENT

D55 DLPS MILITARY DEFERMENT

D55 DLSC MILITARY DEFERMENT

D55 DLSS MILITARY DEFERMENT

D55 DLSU MILITARY DEFERMENT

D55 DLTL MILITARY DEFERMENT

D55 FISL MILITARY DEFERMENT

D55 GRAD MILITARY DEFERMENT

D55 PERK MILITARY DEFERMENT

D55 PLUS MILITARY DEFERMENT

D55 SLS MILITARY DEFERMENT

D55 STAF MILITARY DEFERMENT

D55 STAU MILITARY DEFERMENT

D56 CONS MILITARY DEFERMENT EXTENSION

D56 DLCP MILITARY DEFERMENT EXTENSION

D56 DLCS MILITARY DEFERMENT EXTENSION

D56 DLGD MILITARY DEFERMENT EXTENSION

D56 DLPP MILITARY DEFERMENT EXTENSION

D56 DLPS MILITARY DEFERMENT EXTENSION

D56 DLSC MILITARY DEFERMENT EXTENSION

D56 DLSS MILITARY DEFERMENT EXTENSION

D56 DLSU MILITARY DEFERMENT EXTENSION

D56 DLTL MILITARY DEFERMENT EXTENSION

D56 FISL MILITARY DEFERMENT EXTENSION

D56 GRAD MILITARY DEFERMENT EXTENSION

D56 PERK MILITARY DEFERMENT EXTENSION

D56 PLUS MILITARY DEFERMENT EXTENSION

D56 SLS MILITARY DEFERMENT EXTENSION

D56 STAF MILITARY DEFERMENT EXTENSION

D56 STAU MILITARY DEFERMENT EXTENSION

D57 CONS VERBAL MILITARY DEFERMENT

D57 DLCP VERBAL MILITARY DEFERMENT

D57 DLCS VERBAL MILITARY DEFERMENT

D57 DLGD VERBAL MILITARY DEFERMENT

D57 DLPP VERBAL MILITARY DEFERMENT

D57 DLPS VERBAL MILITARY DEFERMENT

D57 DLSC VERBAL MILITARY DEFERMENT

D57 DLSS VERBAL MILITARY DEFERMENT

D57 DLSU VERBAL MILITARY DEFERMENT

D57 DLTL VERBAL MILITARY DEFERMENT

D57 FISL VERBAL MILITARY DEFERMENT

D57 GRAD VERBAL MILITARY DEFERMENT

D57 PERK VERBAL MILITARY DEFERMENT

D57 PLUS VERBAL MILITARY DEFERMENT

D57 SLS VERBAL MILITARY DEFERMENT

D57 STAF VERBAL MILITARY DEFERMENT

D57 STAU VERBAL MILITARY DEFERMENT

D58 DLCP INTERNSHIP/RESIDENCY

D58 DLCS INTERNSHIP/RESIDENCY

D58 DLGD INTERNSHIP/RESIDENCY

D58 DLPP INTERNSHIP/RESIDENCY

D58 DLPS INTERNSHIP/RESIDENCY

D58 DLSC INTERNSHIP/RESIDENCY

D58 DLSS INTERNSHIP/RESIDENCY

D58 DLSU INTERNSHIP/RESIDENCY

D58 DLTL INTERNSHIP/RESIDENCY

D58 PERK INTERNSHIP/RESIDENCY

D59 DLCP UNEMPLOYMENT

D59 DLCS UNEMPLOYMENT

D59 DLGD UNEMPLOYMENT

D59 DLPP UNEMPLOYMENT

D59 DLPS UNEMPLOYMENT

D59 DLSC UNEMPLOYMENT

D59 DLSS UNEMPLOYMENT

D59 DLSU UNEMPLOYMENT

D59 DLTL UNEMPLOYMENT

D59 PERK UNEMPLOYMENT

DCL DLCP PRE-HERA DIRECT CONSOLIDATED

DCL DLCS PRE-HERA DIRECT CONSOLIDATED

DCL DLPP PRE-HERA DIRECT CONSOLIDATED

DCL DLSC PRE-HERA DIRECT CONSOLIDATED

F44 DLPP MILITARY DEFERMENT

FA0 CONS ADMIN

FA0 DLCP ADMIN

FA0 DLCS ADMIN

FA0 DLGD ADMIN

FA0 DLPP ADMIN

FA0 DLPS ADMIN

FA0 DLSC ADMIN

FA0 DLSS ADMIN

FA0 DLSU ADMIN

FA0 DLTL ADMIN

FA0 FISL ADMIN

FA0 GRAD ADMIN

FA0 PERK ADMIN

FA0 PLUS ADMIN

FA0 SLS ADMIN

FA0 STAF ADMIN

FA0 STAU ADMIN

FA1 CONS NO PAY

FA1 FISL NO PAY

FA1 GRAD NO PAY

FA1 PLUS NO PAY

FA1 SLS NO PAY

FA1 STAF NO PAY

FA1 STAU NO PAY

FA2 CONS BNKRUP

FA2 DLCP BNKRUP

FA2 DLCS BNKRUP

FA2 DLGD BNKRUP

FA2 DLPP BNKRUP

FA2 DLPS BNKRUP

FA2 DLSC BNKRUP

FA2 DLSS BNKRUP

FA2 DLSU BNKRUP

FA2 DLTL BNKRUP

FA2 FISL BNKRUP

FA2 GRAD BNKRUP

FA2 PERK BNKRUP

FA2 PLUS BNKRUP

FA2 SLS BNKRUP

FA2 STAF BNKRUP

FA2 STAU BNKRUP

FA3 FISL NO PAY REPAYMENT ACCOMMODATION

FA3 GRAD NO PAY REPAYMENT ACCOMMODATION

FA3 PLUS NO PAY REPAYMENT ACCOMMODATION

FA3 SLS NO PAY REPAYMENT ACCOMMODATION

FA3 STAF NO PAY REPAYMENT ACCOMMODATION

FA3 STAU NO PAY REPAYMENT ACCOMMODATION

FA4 FISL ADMIN PRE-SVC FORBEARANCE

FA4 GRAD ADMIN PRE-SVC FORBEARANCE

FA4 PLUS ADMIN PRE-SVC FORBEARANCE

FA4 SLS ADMIN PRE-SVC FORBEARANCE

FA4 STAF ADMIN PRE-SVC FORBEARANCE

FA4 STAU ADMIN PRE-SVC FORBEARANCE

FA6 FISL HI/LOW

FA6 GRAD HI/LOW

FA6 PLUS HI/LOW

FA6 SLS HI/LOW

FA6 STAF HI/LOW

FA6 STAU HI/LOW

FAD CONS DELINQ PRIOR TO DISASTER FORB

FAD DLCP DELINQ PRIOR TO DISASTER FORB

FAD DLCS DELINQ PRIOR TO DISASTER FORB

FAD DLGD DELINQ PRIOR TO DISASTER FORB

FAD DLPP DELINQ PRIOR TO DISASTER FORB

FAD DLPS DELINQ PRIOR TO DISASTER FORB

FAD DLSC DELINQ PRIOR TO DISASTER FORB

FAD DLSS DELINQ PRIOR TO DISASTER FORB

FAD DLSU DELINQ PRIOR TO DISASTER FORB

FAD DLTL DELINQ PRIOR TO DISASTER FORB

FAD FISL DELINQ PRIOR TO DISASTER FORB

FAD GRAD DELINQ PRIOR TO DISASTER FORB

FAD PERK DELINQ PRIOR TO DISASTER FORB

FAD PLUS DELINQ PRIOR TO DISASTER FORB

FAD SLS DELINQ PRIOR TO DISASTER FORB

FAD STAF DELINQ PRIOR TO DISASTER FORB

FAD STAU DELINQ PRIOR TO DISASTER FORB

FAF CONS ADMIN 60-DAY ADMIN FORB

FAF DLCP ADMIN 60-DAY ADMIN FORB

FAF DLCS ADMIN 60-DAY ADMIN FORB

FAF DLGD ADMIN 60-DAY ADMIN FORB

FAF DLPP ADMIN 60-DAY ADMIN FORB

FAF DLPS ADMIN 60-DAY ADMIN FORB

FAF DLSC ADMIN 60-DAY ADMIN FORB

FAF DLSS ADMIN 60-DAY ADMIN FORB

FAF DLSU ADMIN 60-DAY ADMIN FORB

FAF DLTL ADMIN 60-DAY ADMIN FORB

FAF FISL ADMIN 60-DAY ADMIN FORB

FAF GRAD ADMIN 60-DAY ADMIN FORB

FAF PLUS ADMIN 60-DAY ADMIN FORB

FAF SLS ADMIN 60-DAY ADMIN FORB

FAF STAF ADMIN 60-DAY ADMIN FORB

FAF STAU ADMIN 60-DAY ADMIN FORB

FAH CONS ADMIN PRE-HARDSHIP FORB

FAH DLCP ADMIN PRE-HARDSHIP FORB

FAH DLCS ADMIN PRE-HARDSHIP FORB

FAH DLGD ADMIN PRE-HARDSHIP FORB

FAH DLPP ADMIN PRE-HARDSHIP FORB

FAH DLPS ADMIN PRE-HARDSHIP FORB

FAH DLSC ADMIN PRE-HARDSHIP FORB

FAH DLSS ADMIN PRE-HARDSHIP FORB

FAH DLSU ADMIN PRE-HARDSHIP FORB

FAH DLTL ADMIN PRE-HARDSHIP FORB

FAH FISL ADMIN PRE-HARDSHIP FORB

FAH GRAD ADMIN PRE-HARDSHIP FORB

FAH PERK ADMIN PRE-HARDSHIP FORB

FAH PLUS ADMIN PRE-HARDSHIP FORB

FAH SLS ADMIN PRE-HARDSHIP FORB

FAH STAF ADMIN PRE-HARDSHIP FORB

FAH STAU ADMIN PRE-HARDSHIP FORB

FAM CONS Admin Reamortization

FAM DLCP Admin Reamortization

FAM DLCS Admin Reamortization

FAM DLGD Admin Reamortization

FAM DLPP Admin Reamortization

FAM DLPS Admin Reamortization

FAM DLSC Admin Reamortization

FAM DLSS Admin Reamortization

FAM DLSU Admin Reamortization

FAM DLTL Admin Reamortization

FAM FISL Admin Reamortization

FAM GRAD Admin Reamortization

FAM PERK Admin Reamortization

FAM PLUS Admin Reamortization

FAM SLS Admin Reamortization

FAM STAF Admin Reamortization

FAM STAU Admin Reamortization

FB1 CONS NO PAY CURE FORBEARANCE

FB1 DLCP NO PAY CURE FORBEARANCE

FB1 DLCS NO PAY CURE FORBEARANCE

FB1 DLGD NO PAY CURE FORBEARANCE

FB1 DLPP NO PAY CURE FORBEARANCE

FB1 DLPS NO PAY CURE FORBEARANCE

FB1 DLSC NO PAY CURE FORBEARANCE

FB1 DLSS NO PAY CURE FORBEARANCE

FB1 DLSU NO PAY CURE FORBEARANCE

FB1 DLTL NO PAY CURE FORBEARANCE

FB1 FISL NO PAY CURE FORBEARANCE

FB1 GRAD NO PAY CURE FORBEARANCE

FB1 PERK NO PAY CURE FORBEARANCE

FB1 PLUS NO PAY CURE FORBEARANCE

FB1 SLS NO PAY CURE FORBEARANCE

FB1 STAF NO PAY CURE FORBEARANCE

FB1 STAU NO PAY CURE FORBEARANCE

FB3 CONS ADMIN NON CAPPING FORB IBR

FB3 DLCS ADMIN NON CAPPING FORB IBR

FB3 DLGD ADMIN NON CAPPING FORB IBR

FB3 DLSC ADMIN NON CAPPING FORB IBR

FB3 DLSS ADMIN NON CAPPING FORB IBR

FB3 DLSU ADMIN NON CAPPING FORB IBR

FB3 DLTL ADMIN NON CAPPING FORB IBR

FB3 FISL ADMIN NON CAPPING FORB IBR

FB3 GRAD ADMIN NON CAPPING FORB IBR

FB3 SLS ADMIN NON CAPPING FORB IBR

FB3 STAF ADMIN NON CAPPING FORB IBR

FB3 STAU ADMIN NON CAPPING FORB IBR

FB7 DLCP ADMIN BANKRUPTCY

FB7 DLCS ADMIN BANKRUPTCY

FB7 DLGD ADMIN BANKRUPTCY

FB7 DLPP ADMIN BANKRUPTCY

FB7 DLPS ADMIN BANKRUPTCY

FB7 DLSC ADMIN BANKRUPTCY

FB7 DLSS ADMIN BANKRUPTCY

FB7 DLSU ADMIN BANKRUPTCY

FB7 DLTL ADMIN BANKRUPTCY

FB7 FISL ADMIN BANKRUPTCY

FB7 GRAD ADMIN BANKRUPTCY

FB7 PERK ADMIN BANKRUPTCY

FB7 PLUS ADMIN BANKRUPTCY

FB7 SLS ADMIN BANKRUPTCY

FB7 STAF ADMIN BANKRUPTCY

FB7 STAU ADMIN BANKRUPTCY

FBD CONS ADMIN BORR DEFENSE

FBD DLCP ADMIN BORR DEFENSE

FBD DLCS ADMIN BORR DEFENSE

FBD DLGD ADMIN BORR DEFENSE

FBD DLPP ADMIN BORR DEFENSE

FBD DLPS ADMIN BORR DEFENSE

FBD DLSC ADMIN BORR DEFENSE

FBD DLSS ADMIN BORR DEFENSE

FBD DLSU ADMIN BORR DEFENSE

FBD DLTL ADMIN BORR DEFENSE

FBD FISL ADMIN BORR DEFENSE

FBD GRAD ADMIN BORR DEFENSE

FBD PERK ADMIN BORR DEFENSE

FBD PLUS ADMIN BORR DEFENSE

FBD SLS ADMIN BORR DEFENSE

FBD STAF ADMIN BORR DEFENSE

FBD STAU ADMIN BORR DEFENSE

FBR CONS ADMIN DELNQ PRIOR REPAY OPTION

FBR DLCP ADMIN DELNQ PRIOR REPAY OPTION

FBR DLCS ADMIN DELNQ PRIOR REPAY OPTION

FBR DLGD ADMIN DELNQ PRIOR REPAY OPTION

FBR DLPP ADMIN DELNQ PRIOR REPAY OPTION

FBR DLPS ADMIN DELNQ PRIOR REPAY OPTION

FBR DLSC ADMIN DELNQ PRIOR REPAY OPTION

FBR DLSS ADMIN DELNQ PRIOR REPAY OPTION

FBR DLSU ADMIN DELNQ PRIOR REPAY OPTION

FBR DLTL ADMIN DELNQ PRIOR REPAY OPTION

FBR FISL ADMIN DELNQ PRIOR REPAY OPTION

FBR GRAD ADMIN DELNQ PRIOR REPAY OPTION

FBR PERK ADMIN DELNQ PRIOR REPAY OPTION

FBR PLUS ADMIN DELNQ PRIOR REPAY OPTION

FBR SLS ADMIN DELNQ PRIOR REPAY OPTION

FBR STAF ADMIN DELNQ PRIOR REPAY OPTION

FBR STAU ADMIN DELNQ PRIOR REPAY OPTION

FBS CONS ADMIN DELNQ PRIOR REPAY OPTION

FBS DLCP ADMIN DELNQ PRIOR REPAY OPTION

FBS DLCS ADMIN DELNQ PRIOR REPAY OPTION

FBS DLGD ADMIN DELNQ PRIOR REPAY OPTION

FBS DLPP ADMIN DELNQ PRIOR REPAY OPTION

FBS DLPS ADMIN DELNQ PRIOR REPAY OPTION

FBS DLSC ADMIN DELNQ PRIOR REPAY OPTION

FBS DLSS ADMIN DELNQ PRIOR REPAY OPTION

FBS DLSU ADMIN DELNQ PRIOR REPAY OPTION

FBS DLTL ADMIN DELNQ PRIOR REPAY OPTION

FBS FISL ADMIN DELNQ PRIOR REPAY OPTION

FBS GRAD ADMIN DELNQ PRIOR REPAY OPTION

FBS PERK ADMIN DELNQ PRIOR REPAY OPTION

FBS PLUS ADMIN DELNQ PRIOR REPAY OPTION

FBS SLS ADMIN DELNQ PRIOR REPAY OPTION

FBS STAF ADMIN DELNQ PRIOR REPAY OPTION

FBS STAU ADMIN DELNQ PRIOR REPAY OPTION

FC0 CONS BNKRUP DELINQUENT PRIOR TO BAN

FC1 CONS NO PAY BANKRUPTCY

FCA CONS ADM FORB/CONS SHORT PAY ACCT

FCC DLCP ADMIN COMPROMISE

FCC DLCS ADMIN COMPROMISE

FCC DLGD ADMIN COMPROMISE

FCC DLPP ADMIN COMPROMISE

FCC DLPS ADMIN COMPROMISE

FCC DLSC ADMIN COMPROMISE

FCC DLSS ADMIN COMPROMISE

FCC DLSU ADMIN COMPROMISE

FCC DLTL ADMIN COMPROMISE

FCC PERK ADMIN COMPROMISE

FCF CONS ADMIN CURE FORBEARANCE

FCF DLCP ADMIN CURE FORBEARANCE

FCF DLCS ADMIN CURE FORBEARANCE

FCF DLGD ADMIN CURE FORBEARANCE

FCF DLPP ADMIN CURE FORBEARANCE

FCF DLPS ADMIN CURE FORBEARANCE

FCF DLSC ADMIN CURE FORBEARANCE

FCF DLSS ADMIN CURE FORBEARANCE

FCF DLSU ADMIN CURE FORBEARANCE

FCF DLTL ADMIN CURE FORBEARANCE

FCF FISL ADMIN CURE FORBEARANCE

FCF GRAD ADMIN CURE FORBEARANCE

FCF PERK ADMIN CURE FORBEARANCE

FCF PLUS ADMIN CURE FORBEARANCE

FCF SLS ADMIN CURE FORBEARANCE

FCF STAF ADMIN CURE FORBEARANCE

FCF STAU ADMIN CURE FORBEARANCE

FCR CONS ADMIN CONSOL REVERSAL

FCR DLCP ADMIN CONSOL REVERSAL

FCR DLCS ADMIN CONSOL REVERSAL

FCR DLGD ADMIN CONSOL REVERSAL

FCR DLPP ADMIN CONSOL REVERSAL

FCR DLPS ADMIN CONSOL REVERSAL

FCR DLSC ADMIN CONSOL REVERSAL

FCR DLSS ADMIN CONSOL REVERSAL

FCR DLSU ADMIN CONSOL REVERSAL

FCR DLTL ADMIN CONSOL REVERSAL

FCR FISL ADMIN CONSOL REVERSAL

FCR GRAD ADMIN CONSOL REVERSAL

FCR PERK ADMIN CONSOL REVERSAL

FCR PLUS ADMIN CONSOL REVERSAL

FCR SLS ADMIN CONSOL REVERSAL

FCR STAF ADMIN CONSOL REVERSAL

FCR STAU ADMIN CONSOL REVERSAL

FCS CONS ADMIN CLOSED SCHOOL

FCS DLCP ADMIN CLOSED SCHOOL

FCS DLCS ADMIN CLOSED SCHOOL

FCS DLGD ADMIN CLOSED SCHOOL

FCS DLPP ADMIN CLOSED SCHOOL

FCS DLPS ADMIN CLOSED SCHOOL

FCS DLSC ADMIN CLOSED SCHOOL

FCS DLSS ADMIN CLOSED SCHOOL

FCS DLSU ADMIN CLOSED SCHOOL

FCS DLTL ADMIN CLOSED SCHOOL

FCS FISL ADMIN CLOSED SCHOOL

FCS GRAD ADMIN CLOSED SCHOOL

FCS PERK ADMIN CLOSED SCHOOL

FCS PLUS ADMIN CLOSED SCHOOL

FCS SLS ADMIN CLOSED SCHOOL

FCS STAF ADMIN CLOSED SCHOOL

FCS STAU ADMIN CLOSED SCHOOL

FCZ CONS ADMIN - AUTO DEBIT

FCZ DLCP ADMIN - AUTO DEBIT

FCZ DLCS ADMIN - AUTO DEBIT

FCZ DLGD ADMIN - AUTO DEBIT

FCZ DLPP ADMIN - AUTO DEBIT

FCZ DLPS ADMIN - AUTO DEBIT

FCZ DLSC ADMIN - AUTO DEBIT

FCZ DLSS ADMIN - AUTO DEBIT

FCZ DLSU ADMIN - AUTO DEBIT

FCZ DLTL ADMIN - AUTO DEBIT

FCZ FISL ADMIN - AUTO DEBIT

FCZ GRAD ADMIN - AUTO DEBIT

FCZ PERK ADMIN - AUTO DEBIT

FCZ PLUS ADMIN - AUTO DEBIT

FCZ SLS ADMIN - AUTO DEBIT

FCZ STAF ADMIN - AUTO DEBIT

FCZ STAU ADMIN - AUTO DEBIT

FD0 CONS NO PAY NATIONAL SERVICE

FD0 DLCP NO PAY NATIONAL SERVICE

FD0 DLCS NO PAY NATIONAL SERVICE

FD0 DLGD NO PAY NATIONAL SERVICE

FD0 DLPP NO PAY NATIONAL SERVICE

FD0 DLPS NO PAY NATIONAL SERVICE

FD0 DLSC NO PAY NATIONAL SERVICE

FD0 DLSS NO PAY NATIONAL SERVICE

FD0 DLSU NO PAY NATIONAL SERVICE

FD0 DLTL NO PAY NATIONAL SERVICE

FD0 FISL NO PAY NATIONAL SERVICE

FD0 GRAD NO PAY NATIONAL SERVICE

FD0 PERK NO PAY NATIONAL SERVICE

FD0 PLUS NO PAY NATIONAL SERVICE

FD0 SLS NO PAY NATIONAL SERVICE

FD0 STAF NO PAY NATIONAL SERVICE

FD0 STAU NO PAY NATIONAL SERVICE

FDA CONS ADMIN DISASTER AREA

FDA DLCP ADMIN DISASTER AREA

FDA DLCS ADMIN DISASTER AREA

FDA DLGD ADMIN DISASTER AREA

FDA DLPP ADMIN DISASTER AREA

FDA DLPS ADMIN DISASTER AREA

FDA DLSC ADMIN DISASTER AREA

FDA DLSS ADMIN DISASTER AREA

FDA DLSU ADMIN DISASTER AREA

FDA DLTL ADMIN DISASTER AREA

FDA FISL ADMIN DISASTER AREA

FDA GRAD ADMIN DISASTER AREA

FDA PERK ADMIN DISASTER AREA

FDA PLUS ADMIN DISASTER AREA

FDA SLS ADMIN DISASTER AREA

FDA STAF ADMIN DISASTER AREA

FDA STAU ADMIN DISASTER AREA

FDB CONS ADMIN DELINQUENT PRIOR TO BAN

FDB DLCP ADMIN DELINQUENT PRIOR TO BAN

FDB DLCS ADMIN DELINQUENT PRIOR TO BAN

FDB DLGD ADMIN DELINQUENT PRIOR TO BAN

FDB DLPP ADMIN DELINQUENT PROIR TO BANK

FDB DLPS ADMIN DELINQUENT PRIOR TO BAN

FDB DLSC ADMIN DELINQUENT PRIOR TO BAN

FDB DLSS ADMIN DELINQUENT PRIOR TO BAN

FDB DLSU ADMIN DELINQUENT PRIOR TO BAN

FDB DLTL ADMIN DELINQUENT PRIOR TO BAN

FDB FISL ADMIN DELINQUENT PRIOR TO BAN

FDB GRAD ADMIN DELINQUENT PRIOR TO BAN

FDB PERK ADMIN DELINQUENT PRIOR TO BAN

FDB PLUS ADMIN DELINQUENT PRIOR TO BAN

FDB SLS ADMIN DELINQUENT PRIOR TO BAN

FDB STAF ADMIN DELINQUENT PRIOR TO BAN

FDB STAU ADMIN DELINQUENT PRIOR TO BAN

FDD CONS ADMIN DELINQUENT PRIOR TO DEF

FDD DLCP ADMIN DELINQUENT PRIOR TO DEF

FDD DLCS ADMIN DELINQUENT PRIOR TO DEF

FDD DLGD ADMIN DELINQUENT PRIOR TO DEF

FDD DLPP ADMIN DELINQUENT PRIOR TO DEF

FDD DLPS ADMIN DELINQUENT PRIOR TO DEF

FDD DLSC ADMIN DELINQUENT PRIOR TO DEF

FDD DLSS ADMIN DELINQUENT PRIOR TO DEF

FDD DLSU ADMIN DELINQUENT PRIOR TO DEF

FDD DLTL ADMIN DELINQUENT PRIOR TO DEF

FDD FISL ADMIN DELINQUENT PRIOR TO DEF

FDD GRAD ADMIN DELINQUENT PRIOR TO DEF

FDD PERK ADMIN DELINQUENT PRIOR TO DEF

FDD PLUS ADMIN DELINQUENT PRIOR TO DEF

FDD SLS ADMIN DELINQUENT PRIOR TO DEF

FDD STAF ADMIN DELINQUENT PRIOR TO DEF

FDD STAU ADMIN DELINQUENT PRIOR TO DEF

FDE DLCP NO PAY MANDATORY HARDSHIP

FDE DLCS NO PAY MANDATORY HARDSHIP

FDE DLGD NO PAY MANDATORY HARDSHIP

FDE DLPP NO PAY MANDATORY HARDSHIP

FDE DLPS NO PAY MANDATORY HARDSHIP

FDE DLSC NO PAY MANDATORY HARDSHIP

FDE DLSS NO PAY MANDATORY HARDSHIP

FDE DLSU NO PAY MANDATORY HARDSHIP

FDE DLTL NO PAY MANDATORY HARDSHIP

FDE PERK NO PAY MANDATORY HARDSHIP

FDH DLCP NO PAY HARDSHIP

FDH DLCS NO PAY HARDSHIP

FDH DLGD NO PAY HARDSHIP

FDH DLPP NO PAY HARDSHIP

FDH DLPS NO PAY HARDSHIP

FDH DLSC NO PAY HARDSHIP

FDH DLSS NO PAY HARDSHIP

FDH DLSU NO PAY HARDSHIP

FDH DLTL NO PAY HARDSHIP

FDH PERK NO PAY HARDSHIP

FDI DLCP NO PAY HARDSHIP IVR

FDI DLCS NO PAY HARDSHIP IVR

FDI DLGD NO PAY HARDSHIP IVR

FDI DLPP NO PAY HARDSHIP IVR

FDI DLPS NO PAY HARDSHIP IVR

FDI DLSC NO PAY HARDSHIP IVR

FDI DLSS NO PAY HARDSHIP IVR

FDI DLSU NO PAY HARDSHIP IVR

FDI DLTL NO PAY HARDSHIP IVR

FDI PERK NO PAY HARDSHIP IVR

FDK DLCP NO PAY HARDSHIP KWIKPAY

FDK DLCS NO PAY HARDSHIP KWIKPAY

FDK DLGD NO PAY HARDSHIP KWIKPAY

FDK DLPP NO PAY HARDSHIP KWIKPAY

FDK DLPS NO PAY HARDSHIP KWIKPAY

FDK DLSC NO PAY HARDSHIP KWIKPAY

FDK DLSS NO PAY HARDSHIP KWIKPAY

FDK DLSU NO PAY HARDSHIP KWIKPAY

FDK DLTL NO PAY HARDSHIP KWIKPAY

FDL DLCP COD DELIQ ADMIN

FDL DLCS COD DELIQ ADMIN

FDL DLGD COD DELIQ ADMIN

FDL DLPP COD DELIQ ADMIN

FDL DLPS COD DELIQ ADMIN

FDL DLSC COD DELIQ ADMIN

FDL DLSS COD DELIQ ADMIN

FDL DLSU COD DELIQ ADMIN

FDL DLTL COD DELIQ ADMIN

FDL PERK COD DELIQ ADMIN

FDN DLCP ADMIN NON CAPPING FORBRANCE

FDN DLCS ADMIN NON CAPPING FORB

FDN DLGD ADMIN NON CAPPING FORB

FDN DLPP ADMIN NON CAPPING FORBEARANCE

FDN DLPS ADMIN NON CAPPING FORB

FDN DLSC ADMIN NON CAPPING FORB

FDN DLSS ADMIN NON CAPPING FORB

FDN DLSU ADMIN NON CAPPING FORB

FDN DLTL ADMIN NON CAPPING FORB

FDN PERK ADMIN NON CAPPING FORB

FDO DLCP VERBAL NO PAY HARDSHIP OUT

FDO DLCS VERBAL NO PAY HARDSHIP OUT

FDO DLGD VERBAL NO PAY HARDSHIP OUT

FDO DLPP VERBAL NO PAY HARDSHIP OUT

FDO DLPS VERBAL NO PAY HARDSHIP OUT

FDO DLSC VERBAL NO PAY HARDSHIP OUT

FDO DLSS VERBAL NO PAY HARDSHIP OUT

FDO DLSU VERBAL NO PAY HARDSHIP OUT

FDO DLTL VERBAL NO PAY HARDSHIP OUT

FDO PERK VERBAL NO PAY HARDSHIP OUT

FDP CONS ADMIN DELQ POST DEFR FORB

FDP DLCP ADMIN DELQ POST DEFR FORB

FDP DLCS ADMIN DELQ POST DEFR FORB

FDP DLGD ADMIN DELQ POST DEFR FORB

FDP DLPP ADMIN DELQ POST DEFER FORB

FDP DLPS ADMIN DELQ POST DEFR FORB

FDP DLSC ADMIN DELQ POST DEFR FORB

FDP DLSS ADMIN DELQ POST DEFR FORB

FDP DLSU ADMIN DELQ POST DEFR FORB

FDP DLTL ADMIN DELQ POST DEFR FORB

FDP FISL ADMIN DELQ POST DEFR FORB

FDP GRAD ADMIN DELQ POST DEFR FORB

FDP PERK ADMIN DELQ POST DEFR FORB

FDP PLUS ADMIN DELQ POST DEFR FORB

FDP SLS ADMIN DELQ POST DEFR FORB

FDP STAF ADMIN DELQ POST DEFR FORB

FDP STAU ADMIN DELQ POST DEFR FORB

FDR CONS DELINQUENCY PRIOR TO REFINANCE

FDR FISL DELINQUENCY PRIOR TO REFINANCE

FDR GRAD DELINQUENCY PRIOR TO REFINANCE

FDR PLUS DELINQUENCY PRIOR TO REFINANCE

FDR SLS DELINQUENCY PRIOR TO REFINANCE

FDR STAF DELINQUENCY PRIOR TO REFINANCE

FDR STAU DELINQUENCY PRIOR TO REFINANCE

FDS CONS EH Defer Shorten

FDT CONS TPD ADMIN FORBEARANCE

FDT DLCP TPD ADMIN FORBEARANCE

FDT DLCS TPD ADMIN FORBEARANCE

FDT DLGD TPD ADMIN FORBEARANCE

FDT DLPP TPD ADMIN FORBEARANCE

FDT DLPS TPD ADMIN FORBEARANCE

FDT DLSC TPD ADMIN FORBEARANCE

FDT DLSS TPD ADMIN FORBEARANCE

FDT DLSU TPD ADMIN FORBEARANCE

FDT DLTL TPD ADMIN FORBEARANCE

FDT FISL TPD ADMIN FORBEARANCE

FDT GRAD TPD ADMIN FORBEARANCE

FDT PERK TPD ADMIN FORBEARANCE

FDT PLUS TPD ADMIN FORBEARANCE

FDT SLS TPD ADMIN FORBEARANCE

FDT STAF TPD ADMIN FORBEARANCE

FDT STAU TPD ADMIN FORBEARANCE

FDU CONS TPD ADMIN DEFAULT FORBEARANCE

FDU DLCP TPD ADMIN DEFAULT FORBEARANCE

FDU DLCS TPD ADMIN DEFAULT FORBEARANCE

FDU DLGD TPD ADMIN DEFAULT FORBEARANCE

FDU DLPP TPD ADMIN DEFAULT FORBEARANCE

FDU DLPS TPD ADMIN DEFAULT FORBEARANCE

FDU DLSC TPD ADMIN DEFAULT FORBEARANCE

FDU DLSS TPD ADMIN DEFAULT FORBEARANCE

FDU DLSU TPD ADMIN DEFAULT FORBEARANCE

FDU DLTL TPD ADMIN DEFAULT FORBEARANCE

FDU FISL TPD ADMIN DEFAULT FORBEARANCE

FDU GRAD TPD ADMIN DEFAULT FORBEARANCE

FDU PERK TPD ADMIN DEFAULT FORBEARANCE

FDU PLUS TPD ADMIN DEFAULT FORBEARANCE

FDU SLS TPD ADMIN DEFAULT FORBEARANCE

FDU STAF TPD ADMIN DEFAULT FORBEARANCE

FDU STAU TPD ADMIN DEFAULT FORBEARANCE

FDV DLCP VERBAL NO PAY HARDSHIP INB CE

FDV DLCS VERBAL NO PAY HARDSHIP INB

FDV DLGD VERBAL NO PAY HARDSHIP INB

FDV DLPP VERBAL NO PAY HARDSHIP INQ CE

FDV DLPS VERBAL NO PAY HARDSHIP INB

FDV DLSC VERBAL NO PAY HARDSHIP INB

FDV DLSS VERBAL NO PAY HARDSHIP INB

FDV DLSU VERBAL NO PAY HARDSHIP INB

FDV DLTL VERBAL NO PAY HARDSHIP INB

FDV PERK VERBAL NO PAY HARDSHIP INB

FDW DLCP NO PAY HARDSHIP WEB

FDW DLCS NO PAY HARDSHIP WEB

FDW DLGD NO PAY HARDSHIP WEB

FDW DLPP NO PAY HARDSHIP WEB

FDW DLPS NO PAY HARDSHIP WEB

FDW DLSC NO PAY HARDSHIP WEB

FDW DLSS NO PAY HARDSHIP WEB

FDW DLSU NO PAY HARDSHIP WEB

FDW DLTL NO PAY HARDSHIP WEB

FDW PERK NO PAY HARDSHIP WEB

FEH CONS NO PAY ECONOMIC HARDSHIP

FEH FISL NO PAY ECONOMIC HARDSHIP

FEH GRAD NO PAY ECONOMIC HARDSHIP

FEH PLUS NO PAY ECONOMIC HARDSHIP

FEH SLS NO PAY ECONOMIC HARDSHIP

FEH STAF NO PAY ECONOMIC HARDSHIP

FEH STAU NO PAY ECONOMIC HARDSHIP

FEM CONS EP ADMIN FORBEARANCE

FEM DLCP EP ADMIN FORBEARANCE

FEM DLCS EP ADMIN FORBEARANCE

FEM DLGD EP ADMIN FORBEARANCE

FEM DLPP EP ADMIN FORBEARANCE

FEM DLPS EP ADMIN FORBEARANCE

FEM DLSC EP ADMIN FORBEARANCE

FEM DLSS EP ADMIN FORBEARANCE

FEM DLSU EP ADMIN FORBEARANCE

FEM DLTL EP ADMIN FORBEARANCE

FEM FISL EP ADMIN FORBEARANCE

FEM GRAD EP ADMIN FORBEARANCE

FEM PERK EP ADMIN FORBEARANCE

FEM PLUS EP ADMIN FORBEARANCE

FEM SLS EP ADMIN FORBEARANCE

FEM STAF EP ADMIN FORBEARANCE

FEM STAU EP ADMIN FORBEARANCE

FEP CONS EP ADMIN FORBEARANCE

FEP DLCP EP ADMIN FORBEARANCE

FEP DLCS EP ADMIN FORBEARANCE

FEP DLGD EP ADMIN FORBEARANCE

FEP DLPP EP ADMIN FORBEARANCE

FEP DLPS EP ADMIN FORBEARANCE

FEP DLSC EP ADMIN FORBEARANCE

FEP DLSS EP ADMIN FORBEARANCE

FEP DLSU EP ADMIN FORBEARANCE

FEP DLTL EP ADMIN FORBEARANCE

FEP FISL EP ADMIN FORBEARANCE

FEP GRAD EP ADMIN FORBEARANCE

FEP PERK EP ADMIN FORBEARANCE

FEP PLUS EP ADMIN FORBEARANCE

FEP SLS EP ADMIN FORBEARANCE

FEP STAF EP ADMIN FORBEARANCE

FEP STAU EP ADMIN FORBEARANCE

FFA DLCP ALTERNATIVE REPAY NEG AMORT

FFA DLCS ALTERNATIVE REPAY NEG AMORT

FFA DLGD ALTERNATIVE REPAY NEG AMORT

FFA DLPP ALTERNATIVE REPAY NEG AMORT

FFA DLPS ALTERNATIVE REPAY NEG AMORT

FFA DLSC ALTERNATIVE REPAY NEG AMORT

FFA DLSS ALTERNATIVE REPAY NEG AMORT

FFA DLSU ALTERNATIVE REPAY NEG AMORT

FFA DLTL ALTERNATIVE REPAY NEG AMORT

FFA PERK ALTERNATIVE REPAY NEG AMORT

FFB CONS BNKRUP BANKRUPTCY

FFB DLCP BNKRUP BANKRUPTCY

FFB DLCS BNKRUP BANKRUPTCY

FFB DLGD BNKRUP BANKRUPTCY

FFB DLPP BNKRUP BANKRUPTCY

FFB DLPS BNKRUP BANKRUPTCY

FFB DLSC BNKRUP BANKRUPTCY

FFB DLSS BNKRUP BANKRUPTCY

FFB DLSU BNKRUP BANKRUPTCY

FFB DLTL BNKRUP BANKRUPTCY

FFB FISL BNKRUP BANKRUPTCY

FFB GRAD BNKRUP BANKRUPTCY

FFB PERK BNKRUP BANKRUPTCY

FFB PLUS BNKRUP BANKRUPTCY

FFB SLS BNKRUP BANKRUPTCY

FFB STAF BNKRUP BANKRUPTCY

FFB STAU BNKRUP BANKRUPTCY

FFC CONS ADMIN FALSE CERTIFICATION

FFC DLCP ADMIN FALSE CERTIFICATION

FFC DLCS ADMIN FALSE CERTIFICATION

FFC DLGD ADMIN FALSE CERTIFICATION

FFC DLPP ADMIN FALSE CERTIFICATION

FFC DLPS ADMIN FALSE CERTIFICATION

FFC DLSC ADMIN FALSE CERTIFICATION

FFC DLSS ADMIN FALSE CERTIFICATION

FFC DLSU ADMIN FALSE CERTIFICATION

FFC DLTL ADMIN FALSE CERTIFICATION

FFC FISL ADMIN FALSE CERTIFICATION

FFC GRAD ADMIN FALSE CERTIFICATION

FFC PERK ADMIN FALSE CERTIFICATION

FFC PLUS ADMIN FALSE CERTIFICATION

FFC SLS ADMIN FALSE CERTIFICATION

FFC STAF ADMIN FALSE CERTIFICATION

FFC STAU ADMIN FALSE CERTIFICATION

FFD CONS ADMIN DEATH

FFD DLCP ADMIN DEATH

FFD DLCS ADMIN DEATH

FFD DLGD ADMIN DEATH

FFD DLPP ADMIN DEATH

FFD DLPS ADMIN DEATH

FFD DLSC ADMIN DEATH

FFD DLSS ADMIN DEATH

FFD DLSU ADMIN DEATH

FFD DLTL ADMIN DEATH

FFD FISL ADMIN DEATH

FFD GRAD ADMIN DEATH

FFD PERK ADMIN DEATH

FFD PLUS ADMIN DEATH

FFD SLS ADMIN DEATH

FFD STAF ADMIN DEATH

FFD STAU ADMIN DEATH

FFE FISL VERBAL NO PAY PEND ENTITLEMENT

FFE GRAD VERBAL NO PAY PEND ENTITLEMENT

FFE PLUS VERBAL NO PAY PEND ENTITLEMENT

FFE SLS VERBAL NO PAY PEND ENTITLEMENT

FFE STAF VERBAL NO PAY PEND ENTITLEMENT

FFE STAU VERBAL NO PAY PEND ENTITLEMENT

FFG CONS VERBAL FORBEARANCE

FFG FISL VERBAL FORBEARANCE

FFG GRAD VERBAL FORBEARANCE

FFG PLUS VERBAL FORBEARANCE

FFG SLS VERBAL FORBEARANCE

FFG STAF VERBAL FORBEARANCE

FFG STAU VERBAL FORBEARANCE

FFH CONS NO PAY HARDSHIP

FFH FISL NO PAY HARDSHIP

FFH GRAD NO PAY HARDSHIP

FFH PLUS NO PAY HARDSHIP

FFH SLS NO PAY HARDSHIP

FFH STAF NO PAY HARDSHIP

FFH STAU NO PAY HARDSHIP

FFI CONS NO PAY HARDSHIP IVR

FFI FISL NO PAY HARDSHIP IVR

FFI GRAD NO PAY HARDSHIP IVR

FFI PLUS NO PAY HARDSHIP IVR

FFI SLS NO PAY HARDSHIP IVR

FFI STAF NO PAY HARDSHIP IVR

FFI STAU NO PAY HARDSHIP IVR

FFK CONS NO PAY HARDSHIP KWIKPAY

FFK FISL NO PAY HARDSHIP KWIKPAY

FFK GRAD NO PAY HARDSHIP KWIKPAY

FFK PERK NO PAY HARDSHIP KWIKPAY

FFK PLUS NO PAY HARDSHIP KWIKPAY

FFK SLS NO PAY HARDSHIP KWIKPAY

FFK STAF NO PAY HARDSHIP KWIKPAY

FFK STAU NO PAY HARDSHIP KWIKPAY

FFO CONS VERBAL NO PAY HARDSHIP OUTBOUN

FFO FISL VERBAL NO PAY HARDSHIP OUTBOUN

FFO GRAD VERBAL NO PAY HARDSHIP OUTBOUN

FFO PLUS VERBAL NO PAY HARDSHIP OUTBOUN

FFO SLS VERBAL NO PAY HARDSHIP OUTBOUN

FFO STAF VERBAL NO PAY HARDSHIP OUTBOUN

FFO STAU VERBAL NO PAY HARDSHIP OUTBOUN

FFP DLTL NO PAY PRE-SVC FORBEARANCE

FFP FISL NO PAY PRE-SVC FORBEARANCE

FFP GRAD NO PAY PRE-SVC FORBEARANCE

FFP PLUS NO PAY PRE-SVC FORBEARANCE

FFP SLS NO PAY PRE-SVC FORBEARANCE

FFP STAF NO PAY PRE-SVC FORBEARANCE

FFP STAU NO PAY PRE-SVC FORBEARANCE

FFR FISL VERBAL NO PAY PEND REPAY OPT

FFR GRAD VERBAL NO PAY PEND REPAY OPT

FFR PLUS VERBAL NO PAY PEND REPAY OPT

FFR SLS VERBAL NO PAY PEND REPAY OPT

FFR STAF VERBAL NO PAY PEND REPAY OPT

FFR STAU VERBAL NO PAY PEND REPAY OPT

FFV CONS VERBAL NO PAY HARDSHIP INBOUND

FFV FISL VERBAL NO PAY HARDSHIP INBOUND

FFV GRAD VERBAL NO PAY HARDSHIP INBOUND

FFV PLUS VERBAL NO PAY HARDSHIP INBOUND

FFV SLS VERBAL NO PAY HARDSHIP INBOUND

FFV STAF VERBAL NO PAY HARDSHIP INBOUND

FFV STAU VERBAL NO PAY HARDSHIP INBOUND

FFW CONS NO PAY HARDSHIP WEB

FFW FISL NO PAY HARDSHIP WEB

FFW GRAD NO PAY HARDSHIP WEB

FFW PLUS NO PAY HARDSHIP WEB

FFW SLS NO PAY HARDSHIP WEB

FFW STAF NO PAY HARDSHIP WEB

FFW STAU NO PAY HARDSHIP WEB

FGA CONS APPROVED EXT HARDSHIP FORB

FGA DLCP APPROVED EXT HARDSHIP FORB

FGA DLCS APPROVED EXT HARDSHIP FORB

FGA DLGD APPROVED EXT HARDSHIP FORB

FGA DLPP APPROVED EXT HARDSHIP FORB

FGA DLPS APPROVED EXT HARDSHIP FORB

FGA DLSC APPROVED EXT HARDSHIP FORB

FGA DLSS APPROVED EXT HARDSHIP FORB

FGA DLSU APPROVED EXT HARDSHIP FORB

FGA DLTL APPROVED EXT HARDSHIP FORB

FGA FISL APPROVED EXT HARDSHIP FORB

FGA GRAD APPROVED EXT HARDSHIP FORB

FGA PERK APPROVED EXT HARDSHIP FORB

FGA PLUS APPROVED EXT HARDSHIP FORB

FGA STAF APPROVED EXT HARDSHIP FORB

FGA STAU APPROVED EXT HARDSHIP FORB

FGF DLCP ADMIN GRACE

FGF DLCS ADMIN GRACE

FGF DLPP ADMIN GRACE

FGF DLSS ADMIN GRACE

FGF DLSU ADMIN GRACE

FGF DLTL ADMIN GRACE

FGF FISL ADMIN GRACE

FGF PERK ADMIN GRACE

FGF SLS ADMIN GRACE

FGF STAF ADMIN GRACE

FGF STAU ADMIN GRACE

FGP DLGD PLUS ADMIN GRACE

FGP DLPP PLUS ADMIN GRACE

FGP DLPS PLUS ADMIN GRACE

FGP GRAD PLUS ADMIN GRACE

FGP PLUS PLUS ADMIN GRACE

FH1 CONS REDUCED PYMT FORBEARANCE

FH1 DLCP REDUCED PYMT FORBEARANCE

FH1 DLCS REDUCED PYMT FORBEARANCE

FH1 DLGD REDUCED PYMT FORBEARANCE

FH1 DLPP REDUCED PYMT FORBEARANCE

FH1 DLPS REDUCED PYMT FORBEARANCE

FH1 DLSC REDUCED PYMT FORBEARANCE

FH1 DLSS REDUCED PYMT FORBEARANCE

FH1 DLSU REDUCED PYMT FORBEARANCE

FH1 DLTL REDUCED PYMT FORBEARANCE

FH1 FISL REDUCED PYMT FORBEARANCE

FH1 GRAD REDUCED PYMT FORBEARANCE

FH1 PERK REDUCED PYMT FORBEARANCE

FH1 PLUS REDUCED PYMT FORBEARANCE

FH1 SLS REDUCED PYMT FORBEARANCE

FH1 STAF REDUCED PYMT FORBEARANCE

FH1 STAU REDUCED PYMT FORBEARANCE

FH2 DLCP REDUCED PYMT FORBEARANCE

FH2 DLCS REDUCED PYMT FORBEARANCE

FH2 DLGD REDUCED PYMT FORBEARANCE

FH2 DLPP REDUCED PYMT FORBEARANCE

FH2 DLPS REDUCED PYMT FORBEARANCE

FH2 DLSC REDUCED PYMT FORBEARANCE

FH2 DLSS REDUCED PYMT FORBEARANCE

FH2 DLSU REDUCED PYMT FORBEARANCE

FH2 DLTL REDUCED PYMT FORBEARANCE

FH3 CONS ICR INTEREST ONLY

FH3 DLCP ICR INTEREST ONLY

FH3 DLCS ICR INTEREST ONLY

FH3 DLGD ICR INTEREST ONLY

FH3 DLPP ICR INTEREST ONLY

FH3 DLSC ICR INTEREST ONLY

FH3 DLSS ICR INTEREST ONLY

FH3 DLSU ICR INTEREST ONLY

FH3 DLTL ICR INTEREST ONLY

FH3 FISL ICR INTEREST ONLY

FH3 GRAD ICR INTEREST ONLY

FH3 PERK ICR INTEREST ONLY

FH3 PLUS ICR INTEREST ONLY

FH3 SLS ICR INTEREST ONLY

FH3 STAF ICR INTEREST ONLY

FH3 STAU ICR INTEREST ONLY

FH4 CONS REDUCED PYMT FORBEARANCE

FH4 DLCP REDUCED PYMT FORBEARANCE

FH4 DLCS REDUCED PYMT FORBEARANCE

FH4 DLGD REDUCED PYMT FORBEARANCE

FH4 DLPP REDUCED PYMT FORBEARANCE

FH4 DLPS REDUCED PYMT FORBEARANCE

FH4 DLSC REDUCED PYMT FORBEARANCE

FH4 DLSS REDUCED PYMT FORBEARANCE

FH4 DLSU REDUCED PYMT FORBEARANCE

FH4 DLTL REDUCED PYMT FORBEARANCE

FH4 FISL REDUCED PYMT FORBEARANCE

FH4 GRAD REDUCED PYMT FORBEARANCE

FH4 PERK REDUCED PYMT FORBEARANCE

FH4 PLUS REDUCED PYMT FORBEARANCE

FH4 SLS REDUCED PYMT FORBEARANCE

FH4 STAF REDUCED PYMT FORBEARANCE

FH4 STAU REDUCED PYMT FORBEARANCE

FHA CONS ED ALIGNMENT FORB

FHA DLCP ED ALIGNMENT FORB

FHA DLCS ED ALIGNMENT FORB

FHA DLGD ED ALIGNMENT FORB

FHA DLPP ED ALIGNMENT FORB

FHA DLPS ED ALIGNMENT FORB

FHA DLSC ED ALIGNMENT FORB

FHA DLSS ED ALIGNMENT FORB

FHA DLSU ED ALIGNMENT FORB

FHA DLTL ED ALIGNMENT FORB

FHA FISL ED ALIGNMENT FORB

FHA GRAD ED ALIGNMENT FORB

FHA PERK ED ALIGNMENT FORB

FHA PLUS ED ALIGNMENT FORB

FHA SLS ED ALIGNMENT FORB

FHA STAF ED ALIGNMENT FORB

FHA STAU ED ALIGNMENT FORB

FID CONS ADMIN INELIGIBLE DEFERMENT

FID DLCP ADMIN INELIGIBLE DEFERMENT

FID DLCS ADMIN INELIGIBLE DEFERMENT

FID DLGD ADMIN INELIGIBLE DEFERMENT

FID DLPP ADMIN INELIGIBLE DEFERMENT

FID DLPS ADMIN INELIGIBLE DEFERMENT

FID DLSC ADMIN INELIGIBLE DEFERMENT

FID DLSS ADMIN INELIGIBLE DEFERMENT

FID DLSU ADMIN INELIGIBLE DEFERMENT

FID DLTL ADMIN INELIGIBLE DEFERMENT

FID FISL ADMIN INELIGIBLE DEFERMENT

FID GRAD ADMIN INELIGIBLE DEFERMENT

FID PLUS ADMIN INELIGIBLE DEFERMENT

FID SLS ADMIN INELIGIBLE DEFERMENT

FID STAF ADMIN INELIGIBLE DEFERMENT

FID STAU ADMIN INELIGIBLE DEFERMENT

FIN FISL ADMIN INCENTIVE FORBEARANCE

FIN STAF ADMIN INCENTIVE FORBEARANCE

FIN STAU ADMIN INCENTIVE FORBEARANCE

FIR CONS ADMIN MEDICAL INTERNSHIP/RESI

FIR DLCP ADMIN MEDICAL INTERNSHIP/RESI

FIR DLCS ADMIN MEDICAL INTERNSHIP/RESI

FIR DLGD ADMIN MEDICAL INTERNSHIP/RESI

FIR DLPP ADMIN MEDICAL INTERNSHIP/RESID

FIR DLPS ADMIN MEDICAL INTERNSHIP/RESI

FIR DLSC ADMIN MEDICAL INTERNSHIP/RESI

FIR DLSS ADMIN MEDICAL INTERNSHIP/RESI

FIR DLSU ADMIN MEDICAL INTERNSHIP/RESI

FIR DLTL ADMIN MEDICAL INTERNSHIP/RESI

FIR FISL ADMIN MEDICAL INTERNSHIP/RESI

FIR GRAD ADMIN MEDICAL INTERNSHIP/RESI

FIR PERK ADMIN MEDICAL INTERNSHIP/RESI

FIR PLUS ADMIN MEDICAL INTERNSHIP/RESI

FIR SLS ADMIN MEDICAL INTERNSHIP/RESI

FIR STAF ADMIN MEDICAL INTERNSHIP/RESI

FIR STAU ADMIN MEDICAL INTERNSHIP/RESI

FIS CONS ADMIN IN-SCHOOL

FIS FISL ADMIN IN-SCHOOL

FIS GRAD ADMIN IN-SCHOOL

FIS PLUS ADMIN IN-SCHOOL

FIS SLS ADMIN IN-SCHOOL

FIS STAF ADMIN IN-SCHOOL

FIS STAU ADMIN IN-SCHOOL

FLC CONS ADMIN COVER DELIQ AT RECERT

FLC DLCS ADMIN COVER DELIQ AT RECERT

FLC DLGD ADMIN COVER DELIQ AT RECERT

FLC DLPP ADMIN COVER DELIQ AT RECERT

FLC DLSC ADMIN COVER DELIQ AT RECERT

FLC DLSS ADMIN COVER DELIQ AT RECERT

FLC DLSU ADMIN COVER DELIQ AT RECERT

FLC DLTL ADMIN COVER DELIQ AT RECERT

FLC FISL ADMIN COVER DELIQ AT RECERT

FLC GRAD ADMIN COVER DELIQ AT RECERT

FLC PERK ADMIN COVER DELIQ AT RECERT

FLC SLS ADMIN COVER DELIQ AT RECERT

FLC STAF ADMIN COVER DELIQ AT RECERT

FLC STAU ADMIN COVER DELIQ AT RECERT

FLF CONS ADMIN LOAN FORGIVENESS

FLF DLCP ADMIN LOAN FORGIVENESS

FLF DLCS ADMIN LOAN FORGIVENESS

FLF DLGD ADMIN LOAN FORGIVENESS

FLF DLPP ADMIN LOAN FORGIVENESS

FLF DLPS ADMIN LOAN FORGIVENESS

FLF DLSC ADMIN LOAN FORGIVENESS

FLF DLSS ADMIN LOAN FORGIVENESS

FLF DLSU ADMIN LOAN FORGIVENESS

FLF DLTL ADMIN LOAN FORGIVENESS

FLF FISL ADMIN LOAN FORGIVENESS

FLF GRAD ADMIN LOAN FORGIVENESS

FLF PERK ADMIN LOAN FORGIVENESS

FLF PLUS ADMIN LOAN FORGIVENESS

FLF SLS ADMIN LOAN FORGIVENESS

FLF STAF ADMIN LOAN FORGIVENESS

FLF STAU ADMIN LOAN FORGIVENESS

FLN CONS ADMIN LATE NOTIFICATION

FLN DLCP ADMIN LATE NOTIFICATION

FLN DLCS ADMIN LATE NOTIFICATION

FLN DLGD ADMIN LATE NOTIFICATION

FLN DLPP ADMIN LATE NOTIFICATION

FLN DLPS ADMIN LATE NOTIFICATION

FLN DLSC AMIN LATE NOTIFICATION

FLN DLSS ADMIN LATE NOTIFICATION

FLN DLSU ADMIN LATE NOTIFICATION

FLN DLTL ADMIN LATE NOTIFICATION

FLN FISL ADMIN LATE NOTIFICATION

FLN GRAD ADMIN LATE NOTIFICATION

FLN PERK ADMIN LATE NOTIFICATION

FLN PLUS ADMIN LATE NOTIFICATION

FLN SLS ADMIN LATE NOTIFICATION

FLN STAF ADMIN LATE NOTIFICATION

FLN STAU ADMIN LATE NOTIFICATION

FLR CONS HI/LOW LOAN REPAYMENT PROGRAM

FLT CONS ADMIN LOAN SALE/TRANSFER

FLT DLCP ADMIN LOAN SALE/TRANSFER

FLT DLCS ADMIN LOAN SALE/TRANSFER

FLT DLGD ADMIN LOAN SALE/TRANSFER

FLT DLPP ADMIN LOAN SALE/TRANSFER

FLT DLPS ADMIN LOAN SALE/TRANSFER

FLT DLSC AMIN LOAN SALE/TRANSFER

FLT DLSS ADMIN LOAN SALE/TRANSFER

FLT DLSU ADMIN LOAN SALE/TRANSFER

FLT DLTL ADMIN LOAN SALE/TRANSFER

FLT FISL ADMIN LOAN SALE/TRANSFER

FLT GRAD ADMIN LOAN SALE/TRANSFER

FLT PERK ADMIN LOAN SALE/TRANSFER

FLT PLUS ADMIN LOAN SALE/TRANSFER

FLT SLS ADMIN LOAN SALE/TRANSFER

FLT STAF ADMIN LOAN SALE/TRANSFER

FLT STAU ADMIN LOAN SALE/TRANSFER

FMA CONS MANDATORY ADMINISTRATIVE FORB

FMA DLCP MANDATORY ADMINISTRATIVE FORB

FMA DLCS MANDATORY ADMINISTRATIVE FORB

FMA DLGD MANDATORY ADMINISTRATIVE FORB

FMA DLPP MANDATORY ADMINISTRATIVE FORB

FMA DLPS MANDATORY ADMINISTRATIVE FORB

FMA DLSC MANDATORY ADMINISTRATIVE FORB

FMA DLSS MANDATORY ADMINISTRATIVE FORB

FMA DLSU MANDATORY ADMINISTRATIVE FORB

FMA FISL MANDATORY ADMINISTRATIVE FORB

FMA GRAD MANDATORY ADMINISTRATIVE FORB

FMA PERK MANDATORY ADMINISTRATIVE FORB

FMA PLUS MANDATORY ADMINISTRATIVE FORB

FMA SLS MANDATORY ADMINISTRATIVE FORB

FMA STAF MANDATORY ADMINISTRATIVE FORB

FMA STAU MANDATORY ADMINISTRATIVE FORB

FMH CONS NO PAY MANDATORY HARDSHIP

FMH FISL NO PAY MANDATORY HARDSHIP

FMH GRAD NO PAY MANDATORY HARDSHIP

FMH PLUS NO PAY MANDATORY HARDSHIP

FMH SLS NO PAY MANDATORY HARDSHIP

FMH STAF NO PAY MANDATORY HARDSHIP

FMH STAU NO PAY MANDATORY HARDSHIP

FMM CONS ADMIN MILITARY MOBILIZATION

FMM DLCP ADMIN MILITARY MOBILIZATION

FMM DLCS ADMIN MILITARY MOBILIZATION

FMM DLGD ADMIN MILITARY MOBILIZATION

FMM DLPP ADMIN MIITARY MOBILIZATION

FMM DLPS ADMIN MILITARY MOBILIZATION

FMM DLSC ADMIN MILITARY MOBILIZATION

FMM DLSS ADMIN MILITARY MOBILIZATION

FMM DLSU ADMIN MILITARY MOBILIZATION

FMM DLTL ADMIN MILITARY MOBILIZATION

FMM FISL ADMIN MILITARY MOBILIZATION

FMM GRAD ADMIN MILITARY MOBILIZATION

FMM PERK ADMIN MILITARY MOBILIZATION

FMM PLUS ADMIN MILITARY MOBILIZATION

FMM SLS ADMIN MILITARY MOBILIZATION

FMM STAF ADMIN MILITARY MOBILIZATION

FMM STAU ADMIN MILITARY MOBILIZATION

FMP CONS ADMIN MISSING PERSON

FMP DLCP ADMIN MISSING PERSON

FMP DLCS ADMIN MISSING PERSON

FMP DLGD ADMIN MISSING PERSON

FMP DLPP ADMIN MISSING PERSON

FMP DLPS ADMIN MISSING PERSON

FMP DLSC ADMIN MISSING PERSON

FMP DLSS ADMIN MISSING PERSON

FMP DLSU ADMIN MISSING PERSON

FMP DLTL ADMIN MISSING PERSON

FMP FISL ADMIN MISSING PERSON

FMP GRAD ADMIN MISSING PERSON

FMP PERK ADMIN MISSING PERSON

FMP PLUS ADMIN MISSING PERSON

FMP SLS ADMIN MISSING PERSON

FMP STAF ADMIN MISSING PERSON

FMP STAU ADMIN MISSING PERSON

FNC CONS FORB NON-CURABLE

FNC DLCP FORB NON-CURABLE

FNC DLCS FORB NON-CURABLE

FNC DLGD FORB NON-CURABLE

FNC DLPP FORB NON-CURABLE

FNC DLPS FORB NON-CURABLE

FNC DLSC FORB NON-CURABLE

FNC DLSS FORB NON-CURABLE

FNC DLSU FORB NON-CURABLE

FNC DLTL FORB NON-CURABLE

FNC FISL FORB NON-CURABLE

FNC GRAD FORB NON-CURABLE

FNC PERK FORB NON-CURABLE

FNC PLUS FORB NON-CURABLE

FNC SLS FORB NON-CURABLE

FNC STAF FORB NON-CURABLE

FNC STAU FORB NON-CURABLE

FNE CONS ADMIN NATURAL EMERGENCY

FNE DLCP ADMIN NATURAL EMERGENCY

FNE DLCS ADMIN NATURAL EMERGENCY

FNE DLGD ADMIN NATURAL EMERGENCY

FNE DLPP ADMIN NATURAL EMERGENCY

FNE DLPS ADMIN NATURAL EMERGENCY

FNE DLSC ADMIN NATURAL EMERGENCY

FNE DLSS ADMIN NATURAL EMERGENCY

FNE DLSU ADMIN NATURAL EMERGENCY

FNE DLTL ADMIN NATURAL EMERGENCY

FNE FISL ADMIN NATURAL EMERGENCY

FNE GRAD ADMIN NATURAL EMERGENCY

FNE PERK ADMIN NATURAL EMERGENCY

FNE PLUS ADMIN NATURAL EMERGENCY

FNE SLS ADMIN NATURAL EMERGENCY

FNE STAF ADMIN NATURAL EMERGENCY

FNE STAU ADMIN NATURAL EMERGENCY

FNJ CONS ADMN FORB/NEW JERSEY ACCT ONLY

FNS CONS ADMIN NATIONAL SERVICE

FNS DLCP ADMIN NATIONAL SERVICE

FNS DLCS ADMIN NATIONAL SERVICE

FNS DLGD ADMIN NATIONAL SERVICE

FNS DLPP ADMIN NATIONAL SERVICE

FNS DLPS ADMIN NATIONAL SERVICE

FNS DLSC AMIN NATIONAL SERVICE

FNS DLSS ADMIN NATIONAL SERVICE

FNS DLSU ADMIN NATIONAL SERVICE

FNS DLTL ADMIN NATIONAL SERVICE

FNS FISL ADMIN NATIONAL SERVICE

FNS GRAD ADMIN NATIONAL SERVICE

FNS PERK ADMIN NATIONAL SERVICE

FNS PLUS ADMIN NATIONAL SERVICE

FNS SLS ADMIN NATIONAL SERVICE

FNS STAF ADMIN NATIONAL SERVICE

FNS STAU ADMIN NATIONAL SERVICE

FO1 CONS LOW PAY

FO1 DLCP LOW PAY

FO1 DLCS LOW PAY

FO1 DLGD LOW PAY

FO1 DLPP LOW PAY

FO1 DLPS LOW PAY

FO1 DLSC LOW PAY

FO1 DLSS LOW PAY

FO1 DLSU LOW PAY

FO1 DLTL LOW PAY

FO1 FISL LOW PAY

FO1 GRAD LOW PAY

FO1 PERK LOW PAY

FO1 PLUS LOW PAY

FO1 SLS LOW PAY

FO1 STAF LOW PAY

FO1 STAU LOW PAY

FO2 DLCP LOW PAY

FO2 DLCS LOW PAY

FO2 DLGD LOW PAY

FO2 DLPP LOW PAY

FO2 DLPS LOW PAY

FO2 DLSC LOW PAY

FO2 DLSS LOW PAY

FO2 DLSU LOW PAY

FO2 DLTL LOW PAY

FO3 DLCP OUTBOUND ICR INTEREST ONLY

FO3 DLCS OUTBOUND ICR INTEREST ONLY

FO3 DLGD OUTBOUND ICR INTEREST ONLY

FO3 DLPP OUTBOUND ICR INTEREST ONLY

FO3 DLSC OUTBOUND ICR INTEREST ONLLY

FO3 DLSS OUTBOUND ICR INTEREST ONLY

FO3 DLSU OUTBOUND ICR INTEREST ONLY

FO3 DLTL OUTBOUND ICR INTEREST ONLY

FO3 PERK OUTBOUND ICR INTEREST ONLY

FP1 DLPP PLUS 1 FORBEARANCE

FP1 DLPS PLUS 1 FORBEARANCE

FP1 PLUS PLUS 1 FORBEARANCE

FP1 SLS PLUS 1 FORBEARANCE

FP2 DLCS PAYE LOW PAYE FORB

FP2 DLGD PAYE LOW PAYE FORB

FP2 DLPP PAYE LOW PAYE FORB

FP2 DLSC PAYE LOW PAYE FORB

FP2 DLSS PAYE LOW PAYE FORB

FP2 DLSU PAYE LOW PAYE FORB

FP2 DLTL PAYE LOW PAYE FORB

FPC CONS ADMIN POST CONSOL

FPD CONS PERMANENT DISABILITY

FPD DLCP PERMANENT DISABILITY

FPD DLCS PERMANENT DISABILITY

FPD DLGD PERMANENT DISABILITY

FPD DLPP PERMANENT DISAILITY

FPD DLPS PERMANENT DISABILITY

FPD DLSC PERMANENT DISABILITY

FPD DLSS PERMANENT DISABILITY

FPD DLSU PERMANENT DISABILITY

FPD DLTL PERMANENT DISABILITY

FPD FISL PERMANENT DISABILITY

FPD GRAD PERMANENT DISABILITY

FPD PERK PERMANENT DISABILITY

FPD PLUS PERMANENT DISABILITY

FPD SLS PERMANENT DISABILITY

FPD STAF PERMANENT DISABILITY

FPD STAU PERMANENT DISABILITY

FPY DLCS NO PAY PAYE FORB

FPY DLGD NO PAY PAYE FORB

FPY DLPP NO PAY PAYE FORB

FPY DLSC NO PAY PAYE FORB

FPY DLSS NO PAY PAYE FORB

FPY DLSU NO PAY PAYE FORB

FPY DLTL NO PAY PAYE FORB

FR1 CONS EXIT IBR RED PAY FORBEARANCE

FR1 DLCP EXIT IBR RED PAY FORBEARANCE

FR1 DLCS EXIT IBR RED PAY FORBEARANCE

FR1 DLGD EXIT IBR RED PAY FORBEARANCE

FR1 DLPP EXIT IBR RED PAY FORBEARANCE

FR1 DLPS EXIT IBR RED PAY FORBEARANCE

FR1 DLSC EXIT IBR RED PAY FORBEARANCE

FR1 DLSS EXIT IBR RED PAY FORBEARANCE

FR1 DLSU EXIT IBR RED PAY FORBEARANCE

FR1 DLTL EXIT IBR RED PAY FORBEARANCE

FR1 FISL EXIT IBR RED PAY FORBEARANCE

FR1 GRAD EXIT IBR RED PAY FORBEARANCE

FR1 PERK EXIT IBR RED PAY FORBEARANCE

FR1 PLUS EXIT IBR RED PAY FORBEARANCE

FR1 SLS EXIT IBR RED PAY FORBEARANCE

FR1 STAF EXIT IBR RED PAY FORBEARANCE

FR1 STAU EXIT IBR RED PAY FORBEARANCE

FRA CONS HI/LOW REPAYMENT ACCOMMODATION

FRA FISL HI/LOW REPAYMENT ACCOMMODATION

FRA GRAD HI/LOW REPAYMENT ACCOMMODATION

FRA PLUS HI/LOW REPAYMENT ACCOMMODATION

FRA SLS HI/LOW REPAYMENT ACCOMMODATION

FRA STAF HI/LOW REPAYMENT ACCOMMODATION

FRA STAU HI/LOW REPAYMENT ACCOMMODATION

FRM CONS RISK MGMT USE ONLY

FRM DLCP RISK MGMT USE ONLY

FRM DLCS RISK MGMT USE ONLY

FRM DLGD RISK MGMT USE ONLY

FRM DLPP RISK MGMT USE ONLY

FRM DLPS RISK MGMT USE ONLY

FRM DLSC RISK MGMT USE ONLY

FRM DLSS RISK MGMT USE ONLY

FRM DLSU RISK MGMT USE ONLY

FRM DLTL RISK MGMT USE ONLY

FRM FISL RISK MGMT USE ONLY

FRM GRAD RISK MGMT USE ONLY

FRM PERK RISK MGMT USE ONLY

FRM PLUS RISK MGMT USE ONLY

FRM SLS RISK MGMT USE ONLY

FRM STAF RISK MGMT USE ONLY

FRM STAU RISK MGMT USE ONLY

FRN DLCP RISK NON NELNET ERROR

FRN DLCS RISK NON NELNET ERROR

FRN DLGD RISK NON NELNET ERROR

FRN DLPP RISK NON NELNET ERROR

FRN DLPS RISK NON NELNET ERROR

FRN DLSC RISK NON NELNET ERROR

FRN DLSS RISK NON NELNET ERROR

FRN DLSU RISK NON NELNET ERROR

FRN DLTL RISK NON NELNET ERROR

FRN PERK RISK NON NELNET ERROR

FRO CONS FOR RETRO PROCESSING ONLY

FRO DLCP FOR RETRO PROCESSING ONLY

FRO DLCS FOR RETRO PROCESSING ONLY

FRO DLGD FOR RETRO PROCESSING ONLY

FRO DLPP FOR RETRO PROCESSING ONLY

FRO DLPS FOR RETRO PROCESSING ONLY

FRO DLSC FOR RETRO PROCESSING ONLY

FRO DLSS FOR RETRO PROCESSING ONLY

FRO DLSU FOR RETRO PROCESSING ONLY

FRO DLTL FOR RETRO PROCESSING ONLY

FRO FISL FOR RETRO PROCESSING ONLY

FRO GRAD FOR RETRO PROCESSING ONLY

FRO PERK FOR RETRO PROCESSING ONLY

FRO PLUS FOR RETRO PROCESSING ONLY

FRO SLS FOR RETRO PROCESSING ONLY

FRO STAF FOR RETRO PROCESSING ONLY

FRO STAU FOR RETRO PROCESSING ONLY

FRP CONS FOR RETRO PROCESSING ONLY

FRP DLCP FOR RETRO PROCESSING ONLY

FRP DLCS FOR RETRO PROCESSING ONLY

FRP DLGD FOR RETRO PROCESSING ONLY

FRP DLPP FOR RETRO PROCESSING ONLY

FRP DLPS FOR RETRO PROCESSING ONLY

FRP DLSC FOR RETRO PROCESSING ONLY

FRP DLSS FOR RETRO PROCESSING ONLY

FRP DLSU FOR RETRO PROCESSING ONLY

FRP DLTL FOR RETRO PROCESSING ONLY

FRP FISL FOR RETRO PROCESSING ONLY

FRP GRAD FOR RETRO PROCESSING ONLY

FRP PERK FOR RETRO PROCESSING ONLY

FRP PLUS FOR RETRO PROCESSING ONLY

FRP SLS FOR RETRO PROCESSING ONLY

FRP STAF FOR RETRO PROCESSING ONLY

FRP STAU FOR RETRO PROCESSING ONLY

FRT CONS ADMIN REINSTATEMENT TRANSFER

FRT DLCP ADMIN REINSTATEMENT TRANSFER

FRT DLCS ADMIN REINSTATEMENT TRANSFER

FRT DLGD ADMIN REINSTATEMENT TRANSFER

FRT DLPP ADMIN REINSTATEMENT TRANSFER

FRT DLPS ADMIN REINSTATEMENT TRANSFER

FRT DLSC ADMIN REINSTATEMENT TRANSFER

FRT DLSS ADMIN REINSTATEMENT TRANSFER

FRT DLSU ADMIN REINSTATEMENT TRANSFER

FRT DLTL ADMIN REINSTATEMENT TRANSFER

FRT FISL ADMIN REINSTATEMENT TRANSFER

FRT GRAD ADMIN REINSTATEMENT TRANSFER

FRT PERK ADMIN REINSTATEMENT TRANSFER

FRT PLUS ADMIN REINSTATEMENT TRANSFER

FRT SLS ADMIN REINSTATEMENT TRANSFER

FRT STAF ADMIN REINSTATEMENT TRANSFER

FRT STAU ADMIN REINSTATEMENT TRANSFER

FS1 FISL ADMN FORB/SCHL-CSLP ACCTS ONLY

FS1 GRAD ADMN FORB/SCHL-CSLP ACCTS ONLY

FS1 PLUS ADMN FORB/SCHL-CSLP ACCTS ONLY

FS1 SLS ADMN FORB/SCHL-CSLP ACCTS ONLY

FS1 STAF ADMN FORB/SCHL-CSLP ACCTS ONLY

FS1 STAU ADMN FORB/SCHL-CSLP ACCTS ONLY

FSA CONS ADMIN DELINQ PRIOR TO IDR

FSA DLCP ADMIN DELINQ PRIOR TO IDR

FSA DLCS ADMIN DELINQ PRIOR TO IDR

FSA DLGD ADMIN DELINQ PRIOR TO IDR

FSA DLPP ADMIN DELINQ PRIOR TO IDR

FSA DLPS ADMIN DELINQ PRIOR TO IDR

FSA DLSC ADMIN DELINQ PRIOR TO IDR

FSA DLSS ADMIN DELINQ PRIOR TO IDR

FSA DLSU ADMIN DELINQ PRIOR TO IDR

FSA DLTL ADMIN DELINQ PRIOR TO IDR

FSA FISL ADMIN DELINQ PRIOR TO IDR

FSA GRAD ADMIN DELINQ PRIOR TO IDR

FSA PERK ADMIN DELINQ PRIOR TO IDR

FSA PLUS ADMIN DELINQ PRIOR TO IDR

FSA SLS ADMIN DELINQ PRIOR TO IDR

FSA STAF ADMIN DELINQ PRIOR TO IDR

FSA STAU ADMIN DELINQ PRIOR TO IDR

FSD CONS ADMIN 60-DAY ADMIN FORB

FSD DLCP ADMIN 60-DAY ADMIN FORB

FSD DLCS ADMIN 60-DAY ADMIN FORB

FSD DLGD ADMIN 60-DAY ADMIN FORB

FSD DLPP ADMIN 60-DAY ADMIN FORB

FSD DLPS ADMIN 60-DAY ADMIN FORB

FSD DLSC ADMIN 60-DAY ADMIN FORB

FSD DLSS ADMIN 60-DAY ADMIN FORB

FSD DLSU ADMIN 60-DAY ADMIN FORB

FSD DLTL ADMIN 60-DAY ADMIN FORB

FSD FISL ADMIN 60-DAY ADMIN FORB

FSD GRAD ADMIN 60-DAY ADMIN FORB

FSD PLUS ADMIN 60-DAY ADMIN FORB

FSD SLS ADMIN 60-DAY ADMIN FORB

FSD STAF ADMIN 60-DAY ADMIN FORB

FSD STAU ADMIN 60-DAY ADMIN FORB

FSI CONS ADMIN INTENT TO RE-ENROLL

FSI DLCP ADMIN INTENT TO RE-ENROLL

FSI DLCS ADMIN INTENT TO RE-ENROLL

FSI DLGD ADMIN INTENT TO RE-ENROLL

FSI DLPP ADMIN INTENT TO RE-ENROLL

FSI DLPS ADMIN INTENT TO RE-ENROLL

FSI DLSC ADMIN INTENT TO RE-ENROLL

FSI DLSS ADMIN INTENT TO RE-ENROLL

FSI DLSU ADMIN INTENT TO RE-ENROLL

FSI DLTL ADMIN INTENT TO RE-ENROLL

FSI FISL ADMIN INTENT TO RE-ENROLL

FSI GRAD ADMIN INTENT TO RE-ENROLL

FSI PERK ADMIN INTENT TO RE-ENROLL

FSI PLUS ADMIN INTENT TO RE-ENROLL

FSI SLS ADMIN INTENT TO RE-ENROLL

FSI STAF ADMIN INTENT TO RE-ENROLL

FSI STAU ADMIN INTENT TO RE-ENROLL

FST FISL SUNTRUST CONVERSION FORBEAR

FST GRAD SUNTRUST CONVERSION FORBEAR

FST PLUS SUNTRUST CONVERSION FORBEAR

FST SLS SUNTRUST CONVERSION FORBEAR

FST STAF SUNTRUST CONVERSION FORBEAR

FST STAU SUNTRUST CONVERSION FORBEAR

FTF CONS ADMIN 60-DAY ADMIN FORB

FTF DLCP ADMIN 60-DAY ADMIN FORB

FTF DLCS ADMIN 60-DAY ADMIN FORB

FTF DLPP ADMIN 60-DAY ADMIN FORB

FTF DLSC ADMIN 60-DAY ADMIN FORB

FTF DLSS ADMIN 60-DAY ADMIN FORB

FTF DLSU ADMIN 60-DAY ADMIN FORB

FTF DLTL ADMIN 60-DAY ADMIN FORB

FTF FISL ADMIN 60-DAY ADMIN FORB

FTF GRAD ADMIN 60-DAY ADMIN FORB

FTF PLUS ADMIN 60-DAY ADMIN FORB

FTF SLS ADMIN 60-DAY ADMIN FORB

FTF STAF ADMIN 60-DAY ADMIN FORB

FTF STAU ADMIN 60-DAY ADMIN FORB

FTI CONS TPD indefinite admin forb

FTI DLCP TPD indefinite admin forb

FTI DLCS TPD indefinite admin forb

FTI DLGD TPD indefinite admin forb

FTI DLPP TPD indefinite admin forb

FTI DLPS TPD indefinite admin forb

FTI DLSC TPD indefinite admin forb

FTI DLSS TPD indefinite admin forb

FTI DLSU TPD indefinite admin forb

FTI DLTL TPD indefinite admin forb

FTI FISL TPD indefinite admin forb

FTI GRAD TPD indefinite admin forb

FTI PERK TPD indefinite admin forb

FTI PLUS TPD indefinite admin forb

FTI SLS TPD indefinite admin forb

FTI STAF TPD indefinite admin forb

FTI STAU TPD indefinite admin forb

FTP CONS TPD 120 day admin forb

FTP DLCP TPD 120 day admin forb

FTP DLCS TPD 120 day admin forb

FTP DLGD TPD 120 day admin forb

FTP DLPP TPD 120 day admin forb

FTP DLPS TPD 120 day admin forb

FTP DLSC TPD 120 day admin forb

FTP DLSS TPD 120 day admin forb

FTP DLSU TPD 120 day admin forb

FTP DLTL TPD 120 day admin forb

FTP FISL TPD 120 day admin forb

FTP GRAD TPD 120 day admin forb

FTP PERK TPD 120 day admin forb

FTP PLUS TPD 120 day admin forb

FTP SLS TPD 120 day admin forb

FTP STAF TPD 120 day admin forb

FTP STAU TPD 120 day admin forb

FUR CONS ADMIN UNPAID REFUND

FUR DLCP ADMIN UNPAID REFUND

FUR DLCS ADMIN UNPAID REFUND

FUR DLGD ADMIN UNPAID REFUND

FUR DLPP ADMIN UNPAID REFUND

FUR DLPS ADMIN UNPAID REFUND

FUR DLSC ADMIN UNPAID REFUND

FUR DLSS ADMIN UNPAID REFUND

FUR DLSU ADMIN UNPAID REFUND

FUR DLTL ADMIN UNPAID REFUND

FUR FISL ADMIN UNPAID REFUND

FUR GRAD ADMIN UNPAID REFUND

FUR PERK ADMIN UNPAID REFUND

FUR PLUS ADMIN UNPAID REFUND

FUR SLS ADMIN UNPAID REFUND

FUR STAF ADMIN UNPAID REFUND

FUR STAU ADMIN UNPAID REFUND

FV1 CONS LOW PAY

FV1 DLCP LOW PAY

FV1 DLCS LOW PAY

FV1 DLGD LOW PAY

FV1 DLPP LOW PAY

FV1 DLPS LOW PAY

FV1 DLSC LOW PAY

FV1 DLSS LOW PAY

FV1 DLSU LOW PAY

FV1 DLTL LOW PAY

FV1 FISL LOW PAY

FV1 GRAD LOW PAY

FV1 PERK LOW PAY

FV1 PLUS LOW PAY

FV1 SLS LOW PAY

FV1 STAF LOW PAY

FV1 STAU LOW PAY

FV2 DLCP LOW PAY

FV2 DLCS LOW PAY

FV2 DLGD LOW PAY

FV2 DLPP LOW PAY

FV2 DLPS LOW PAY

FV2 DLSC LOW PAY

FV2 DLSS LOW PAY

FV2 DLSU LOW PAY

FV2 DLTL LOW PAY

FV3 DLCP INBOUND ICR INTEREST ONLY

FV3 DLCS INBOUND ICR INTEREST ONLY

FV3 DLGD INBOUND ICR INTEREST ONLY

FV3 DLPP INBOUND ICR INTEREST ONLY

FV3 DLSC INBOUND ICR INTEREST ONLY

FV3 DLSS INBOUND ICR INTEREST ONLY

FV3 DLSU INBOUND ICR INTEREST ONLY

FV3 DLTL INBOUND ICR INTEREST ONLY

FV3 PERK INBOUND ICR INTEREST ONLY

FVC FISL CAN VERBAL NO PAY HARDSHIP

FVC GRAD CAN VERBAL NO PAY HARDSHIP

FVC PLUS CAN VERBAL NO PAY HARDSHIP

FVC SLS CAN VERBAL NO PAY HARDSHIP

FVC STAF CAN VERBAL NO PAY HARDSHIP

FVC STAU CAN VERBAL NO PAY HARDSHIP

FW1 CONS LOW PAY WEB

FW1 DLCP LOW PAY WEB

FW1 DLCS LOW PAY WEB

FW1 DLGD LOW PAY WEB

FW1 DLPP LOW PAY WEB

FW1 DLPS LOW PAY WEB

FW1 DLSC LOW PAY WEB

FW1 DLSS LOW PAY WEB

FW1 DLSU LOW PAY WEB

FW1 DLTL LOW PAY WEB

FW1 FISL LOW PAY WEB

FW1 GRAD LOW PAY WEB

FW1 PERK LOW PAY WEB

FW1 PLUS LOW PAY WEB

FW1 SLS LOW PAY WEB

FW1 STAF LOW PAY WEB

FW1 STAU LOW PAY WEB

FW2 DLCP LOW PAY WEB

FW2 DLCS LOW PAY WEB

FW2 DLGD LOW PAY WEB

FW2 DLPP LOW PAY WEB

FW2 DLPS LOW PAY WEB

FW2 DLSC LOW PAY WEB

FW2 DLSS LOW PAY WEB

FW2 DLSU LOW PAY WEB

FW2 DLTL LOW PAY WEB

FW3 DLCP WEB ICR INTEREST ONLY

FW3 DLCS WEB ICR INTEREST ONLY

FW3 DLGD WEB ICR INTEREST ONLY

FW3 DLPP WEB ICR INTEREST ONLY

FW3 DLSC WEB ICR INTEREST ONLY

FW3 DLSS WEB ICR INTEREST ONLY

FW3 DLSU WEB ICR INTEREST ONLY

FW3 DLTL WEB ICR INTEREST ONLY

FW3 PERK WEB ICR INTEREST ONLY

I50 DLSS MILITARY GRACE

I50 DLSU MILITARY GRACE

I50 DLTL MILITARY GRACE

I50 FISL MILITARY GRACE

I50 PERK MILITARY GRACE

I50 STAF MILITARY GRACE

I50 STAU MILITARY GRACE

Monetary Transaction Codes

This Appendix contains a list of transaction codes which cause a monetary change in loan history. These codes are included on the Principal Reconcile, Interest Reconcile, Fees Reconcile and Refund Reconcile reports under the appropriate headings.

Several cancel codes listed in this Appendix are always followed by a slash (/) and another code; the first code cancels the transaction that is after the slash. For example, A31/A02 indicates an A31 (Other Day Cancel) that has cancelled an A02 (Adjust Purchase Amounts).

Cancel Codes

A30 NSF Cancel
A31 Other Day Cancel
A32 Same Day Cancel
A33 Cancel Due to Error

These codes are used by the system when processing backdated transactions (BTF). When the backdated transaction crosses over another transaction on the way to the target record or date, the transaction which is crossed over is cancelled with the cancel code. Then BTF relives the loan history and the transactions which were cancelled are reapplied. The A30, A32, and A33 codes are used only to cancel payment transactions.

A06 Cancel Disbursement
B06 Cancel Purchased Disbursement

These codes are used by the system when a disbursement is targeted for cancel. The Cancel Disbursement transaction always causes the following transaction codes to be cancelled: the A05 (net disbursement check), the A08 (origination fee), and the A09 (insurance fee); or B05, B08, and B09 for purchased disbursements.

A44 Disbursement Date
B44 Purchased Disbursement

These codes are used by the system when a disbursement date is Change Cancel changed. The disbursement date change transaction always causes the following transaction codes to be cancelled: the A05 Due Date Change Cancel (net disbursement check), the A08 (origination fee), and the A09 (insurance fee); or B05, B08, and B09 for purchased disbursements. These three codes are then reapplied using the new disbursement date entered.

New Loans

A00 Loan Conversion (Previous System)

C00/A00 Cancel Loan Conversion (Previous System)

A01 New Loan Purchase

C01/A01 Cancel New Loan Purchase

A02 Adjust Purchase Amounts

A03 Consolidation

C03/A03 Cancel Consolidation

A31/A02 Other Day Cancel/Adjust Purchase Amounts

A04 Repurchase

C04/A04 Cancel Repurchase

A05 Net Disbursement Check

A06/A05 Cancel Disbursement/Net Disbursement Check

A31/A05 Other Day Cancel/Net Disbursement Check

A44/A05 Disbursement Date Change Cancel/Net Disbursement Check

A08 Origination Fee

A06/A08 Cancel Disbursement/Origination Fee

A31/A08 Other Day Cancel/Origination Fee

A44/A08 Disbursement Date Change Cancel/Origination Fee

A09 Insurance Fee

A06/A09 Cancel Disbursement/Insurance Fee

A31/A09 Other Day Cancel/Insurance Fee

A44/A09 Disbursement Date Change Cancel/Insurance Fee

A45 Adjust Disbursement Check

A06/A45 Cancel Disbursement/Adjust Disbursement Check

A31/A45 Other Day Cancel/Adjust Disbursement Check

A44/A45 Disbursement Date Change Cancel/Adjust Disbursement Check

A46 Adjust Origination Fee

A06/A46 Cancel Disbursement/Adjust Origination Fee

A31/A46 Other Day Cancel/Adjust Origination Fee

A44/A46 Disbursement Date Change Cancel/Adjust Origination Fee

A47 Adjust Insurance Fee

A06/A47 Cancel Disbursement/Adjust Insurance Fee

A31/A47 Other Day Cancel/Adjust Insurance Fee

A44/A47 Disbursement Date Change Cancel/Adjust Insurance Fee

B05 Purchased Disbursement

B06/B05 Cancel Purchased Disbursement

A31/B05 Other Day Cancel/Purchased Disbursement

B44/B05 Change Purchased Disbursement Date/Purchased Disbursement

B08 Purchased Origination Fee

B06/B08 Cancel Purchased Origination Fee

A31/B08 Other Day Cancel/Purchased Origination Fee

B44/B08 Change Purchased Disbursement Date/Purchased Origination Fee

C08/B08 Cancel Origination Fee

B09 Purchased Insurance Fee

B06/B09 Cancel Purchased Insurance Fee

A31/B09 Other Day Cancel/Purchased Insurance Fee

B44/B09 Change Purchased Disbursement Date/Purchased Insurance Fee

C09/B09 Cancel Insurance Fee

B45 Adjust Purchased Disbursement Amount

B06/B45 Cancel Purchased Disbursement/Adjust Purchased Disbursement Amount

A31/B45 Other Day Cancel/Adjust Purchased Disbursement Amount

B44/B45 Change Purchased Disbursement Date/Adjust Purchased Disbursement Amount

B46 Adjust Purchased Disbursement Origination Fee

B06/B46 Cancel Purchased Disbursement/Adjust Purchased Disbursement Origination Fee

A31/B46 Other Day Cancel/Adjust Purchased Disbursement Origination Fee

B44/B46 Change Purchased Disbursement Date/Adjust Purchased Disbursement Origination Fee

C08/B46 Cancel Origination Fee/Adjust Purchased Disbursement Origination Fee

B47 Adjust Purchased Disbursement Insurance Fee

B06/B47 Cancel Purchased Disbursement/Adjust Purchased Disbursement Insurance Fee

A31/B47 Other Day Cancel/Adjust Purchased Disbursement Insurance Fee

B44/B47 Change Purchased Disbursement Date/Adjust Purchased Disbursement Insurance Fee

C09/B47 Cancel Insurance Fee/Adjust Purchased Disbursement Insurance Fee

Sell/Transfer

A10 Sell Loan

A11 Lender Transfer Current

A13 Lender Transfer Prior

A16 Bond to Bond Transfer Current

A18 Bond to Bond Transfer Prior

A31/A13 Other Day Cancel/Lender Transfer Prior

A31/A18 Other Day Cancel/Bond to Bond Transfer Prior

A32/A11 Same Day Cancel/Lender Transfer Current

A32/A13 Same Day Cancel/Lender Transfer Prior

A32/A16 Same Day Cancel/Bond to Bond Transfer Current

C10/A11 Cancel Lender Transfer Current

C10/A13 Cancel Lender Transfer Prior

C10/R13 Cancel/Reapplied Lender Transfer Prior

C18/A16 Cancel Bond to Bond Transfer Current

C18/A18 Cancel Bond to Bond Transfer Prior

R13 Reapplied Lender Transfer Prior

A31/R13 Other Day Cancel/Reapplied Lender Transfer Prior

Payments - Applied

P30 Borrower Payment

P31 Advance Due Date to Current

P32 Bank Repurchase

P33 School Refund

P34 Insurance/Origination Fee Refund

P35 Bank Consolidation

P36 Borrower Consolidation

P37 Claim Payment

P38 Resolved Unapplied Payment

P39 Principal Only

P40 Fees & Principal

P41 Tax Offset Payment

P42 Garnishment Payment

P43 Attorney Payment

P44 Interest Only

P45 No Due Date Advance

P46 Discharge

P47 Other Refund

P48 Alternative Payment

A30/P30 NSF Cancel/Borrower Payment

A31/P30 Other Day Cancel/Borrower Payment

A32/P30 Same Day Cancel/Borrower Payment

A33/P30 Cancel Due to Error/Borrower Payment

A30/P31 NSF Cancel/Advance Due Date to Current

A31/P31 Other Day Cancel/Advance Due Date to Current

A32/P31 Same Day Cancel/Advance Due Date to Current

A33/P31 Cancel Due to Error/Advance Due Date to Current

A30/P32 NSF Cancel/Bank Repurchase

A31/P32 Other Day Cancel/Bank Repurchase

A32/P32 Same Day Cancel/Bank Repurchase

A33/P32 Cancel Due to Error/Bank Repurchase

A30/P33 NSF Cancel/School Refund

A31/P33 Other Day Cancel/School Refund

A32/P33 Same Day Cancel/School Refund

A33/P33 Cancel Due to Error/School Refund

A30/P34 NSF Cancel/Ins/Origination Fee Refund

A31/P34 Other Day Cancel/Ins/Origination Fee Refund

A32/P34 Same Day Cancel/Ins/Origination Fee Refund

A33/P34 Cancel Due to Error/Ins/Origination Fee Refund

A30/P35 NSF Cancel/Bank Consolidation

A31/P35 Other Day Cancel/Bank Consolidation

A32/P35 Same Day Cancel/Bank Consolidation

A33/P35 Cancel Due to Error/Bank Consolidation

A30/P36 NSF Cancel/Borrower Consolidation

A31/P36 Other Day Cancel/Borrower Consolidation

A32/P36 Same Day Cancel/Borrower Consolidation

A33/P36 Cancel Due to Error/Borrower Consolidation

A30/P37 NSF Cancel/Claim Payment

A31/P37 Other Day Cancel/Claim Payment

A32/P37 Same Day Cancel/Claim Payment

A33/P37 Cancel Due to Error/Claim Payment

A30/P38 NSF Cancel/Resolved Unapplied Payment

A31/P38 Other Day Cancel/Resolved Unapplied Payment

A32/P38 Same Day Cancel/Resolved Unapplied Payment

A33/P38 Cancel Due to Error/Resolved Unapplied Payment

A30/P39 NSF Cancel/Principal Only
A31/P39 Other Day Cancel/Principal Only

A32/P39 Same Day Cancel/Principal Only

A33/P39 Cancel Due to Error/Principal Only

A30/P40 NSF Cancel/Fees & Principal

A31/P40 Other Day Cancel/Fees & Principal

A32/P40 Same Day Cancel/Fees & Principal

A33/P40 Cancel Due to Error/Fees & Principal

A30/P41 NSF Cancel/Tax Offset Payment

A31/P41 Other Day Cancel/Tax Offset Payment

A32/P41 Same Day Cancel/Tax Offset Payment

A33/P41 Cancel Due to Error/Tax Offset Payment

A30/P42 NSF Cancel/Garnishment Payment

A31/P42 Other Day Cancel/Garnishment Payment

A32/P42 Same Day Cancel/Garnishment Payment

A33/P42 Cancel Due to Error/Garnishment Payment

A30/P43 NSF Cancel/Attorney Payment

A31/P43 Other Day Cancel/Attorney Payment

A32/P43 Same Day Cancel/Attorney Payment

A33/P43 Cancel Due to Error/Attorney Payment

A30/P44 NSF Cancel/Interest Only

A31/P44 Other Day Cancel/Interest Only

A32/P44 Same Day Cancel/Interest Only

A33/P44 Cancel Due to Error/Interest Only

A30/P45 NSF Cancel/No Due Date Advance

A31/P45 Other Day Cancel/No Due Date Advance

A32/P45 Same Day Cancel/No Due Date Advance

A33/P45 Cancel Due to Error/No Due Date Advance

A30/P46 NSF Cancel/Discharge

A31/P46 Other Day Cancel/Discharge

A32/P46 Same Day Cancel/Discharge

A33/P46 Cancel Due to Error/Discharge

A30/P47 NSF Cancel/Other Refund

A31/P47 Other Day Cancel/Other Refund

A32/P47 Same Day Cancel/Other Refund

A33/P47 Cancel Due to Error/Other Refund

A30/P48 NSF Cancel/Alternative Payment

A31/P48 Other Day Cancel/Alternative Payment

A32/P48 Same Day Cancel/Alternative Payment

A33/P48 Cancel Due to Error/Alternative Payment

R30 Reapplied Borrower Payment

R31 Reapplied Advance Due Date to Current

R32 Reapplied Bank Repurchase

R33 Reapplied School Refund

R34 Reapplied Insurance/Origination Fee Refund

R35 Reapplied Bank Consolidation

R36 Reapplied Borrower Consolidation

R37 Reapplied Claim Payment

R38 Reapplied Resolved Unapplied Payment

R39 Reapplied Principal Only

R40 Reapplied Fees & Principal

R41 Reapplied Tax Offset Payment

R42 Reapplied Garnishment Payment

R43 Reapplied Attorney Payment

R44 Reapplied Interest Only

R45 Reapplied No Due Date Advance

R46 Reapplied Discharge

R47 Reapplied Other Refund

R48 Reapplied Alternative Payment

A30/R30 NSF Cancel/Reapplied Borrower Payment

A31/R30 Other Day Cancel/Reapplied Borrower Payment

A33/R30 Cancel Due to Error/Reapplied Borrower Payment

A30/R31 NSF Cancel/Reapplied Advance Due Date to Current

A31/R31 Other Day Cancel/Reapplied Advance Due Date to Current

A33/R31 Cancel Due to Error/Reapplied Advance Due Date to Current

A30/R32 NSF Cancel/Reapplied Bank Repurchase

A31/R32 Other Day Cancel/Reapplied Bank Repurchase

A33/R32 Cancel Due to Error/Reapplied Bank Repurchase

A30/R33 NSF Cancel/Reapplied School Refund

A31/R33 Other Day Cancel/Reapplied School Refund

A33/R33 Cancel Due to Error/Reapplied School Refund

A30/R34 NSF Cancel/Reapplied Ins/Origination Fee Refund

A31/R34 Other Day Cancel/Reapplied Ins/Origination Fee Refund

A33/R34 Cancel Due to Error/Reapplied Ins/Origination Fee Refund

A30/R35 NSF Cancel/Reapplied Bank Consolidation

A31/R35 Other Day Cancel/Reapplied Bank Consolidation

A33/R35 Cancel Due to Error/Reapplied Bank Consolidation

A30/R36 NSF Cancel/Reapplied Borrower Consolidation

A31/R36 Other Day Cancel/Reapplied Borrower Consolidation

A33/R36 Cancel Due to Error/Reapplied Borrower Consolidation

A30/R37 NSF Cancel/Reapplied Claim Payment

A31/R37 Other Day Cancel/Reapplied Claim Payment

A33/R37 Cancel Due to Error/Reapplied Claim Payment

A30/R38 NSF Cancel/Reapplied Resolved Unapplied Payment

A31/R38 Other Day Cancel/Reapplied Resolved Unapplied Payment

A33/R38 Cancel Due to Error/Reapplied Resolved Unapplied Payment

A30/R39 NSF Cancel/Reapplied Principal Only

A31/R39 Other Day Cancel/Reapplied Principal Only

A33/R39 Cancel Due to Error/Reapplied Principal Only

A30/R40 NSF Cancel/Reapplied Fees & Principal

A31/R40 Other Day Cancel/Reapplied Fees & Principal

A33/R40 Cancel Due to Error/Reapplied Fees & Principal

A30/R41 NSF Cancel/Reapplied Tax Offset Payment

A31/R41 Other Day Cancel/Reapplied Tax Offset Payment

A33/R41 Cancel Due to Error/Reapplied Tax Offset Payment

A30/R42 NSF Cancel/Reapplied Garnishment Payment

A31/R42 Other Day Cancel/Reapplied Garnishment Payment

A33/R42 Cancel Due to Error/Reapplied Garnishment Payment

A30/R43 NSF Cancel/Reapplied Attorney Payment

A31/R43 Other Day Cancel/Reapplied Attorney Payment

A33/R43 Cancel Due to Error/Reapplied Attorney Payment

A30/R44 NSF Cancel/Reapplied Interest Only

A31/R44 Other Day Cancel/Reapplied Interest Only

A33/R44 Cancel Due to Error/Reapplied Interest Only

A30/R45 NSF Cancel/Reapplied No Due Date Advance

A31/R45 Other Day Cancel/Reapplied No Due Date Advance

A33/R45 Cancel Due to Error/Reapplied No Due Date Advance

A30/R46 NSF Cancel/Reapplied Discharge

A31/R46 Other Day Cancel/Reapplied Discharge Payment

A33/R46 Cancel Due to Error/Reapplied Discharge Payment

A30/R47 NSF Cancel/Reapplied Other Refund

A31/R47 Other Day Cancel/Reapplied Other Refund

A33/R47 Cancel Due to Error/Reapplied Other Refund

A30/R48 NSF Cancel/Reapplied Alternative Payment

A31/R48 Other Day Cancel/Reapplied Alternative Payment

A33/R48 Cancel Due to Error/Reapplied Alternative Payment

Cap - Uncap

A38 Nelnet Cap

A39 Partial Cap A40 Full Cap

A31/A38 Other Day Cancel/Nelnet Cap

C88/A38 Cancel Nelnet Cap

A41/A39 Cancel Partial Cap

A41/A40 Cancel Partial Cap

A76 Supplemental Guarantee Fee

A31/A76 Other Day Cancel/Supplemental Guarantee Fee

C76/A76 Cancel Supplemental Guarantee Fee

Adjustments/Write-Offs

A12 Conversion Adjustment Fees, Interest & Principal

A31/A12 Other Day Cancel/Conversion Adjustment Fees, Interest & Principal

A20 Origination Fee Refund

A31/A20 Other Day Cancel/Origination Fee Refund

A21 Insurance Fee Refund

A31/A21 Other Day Cancel/Insurance Fee Refund

A50 Adjust Current Quarter Government Accrued Interest

A51 Adjust Prior Quarter Government Interest

A52 Adjust Borrower Accrued Interest

A53 Adjust Other Incentive Interest

A55 Late Charge C55/A55 Cancel Late Charge

A31/A55 Other Day Cancel/Late Charge

A57 Collection Fee

C57/A57 Cancel Collection Fee

A31/A57 Other Day Cancel/Collection Fee

A58 Adjust Legal Fees Due

A31/A58 Other Day Cancel/Adjust Legal Fees Due

A59 Adjust NSF Fees Due

A31/A59 Other Day Cancel/Adjust NSF Fees Due

A70 Write-Off

A72/A70 Cancel Write-Off

A71 User Specified Write-Off

A72/A71 Cancel User Specified Write-Off

A73 Risk Share Write-Off

A72/A731 Cancel Risk Share Write-Off

A74 Borrower Rebate A75 Borrower Rebate

A31/A74 Other Day Cancel/Borrower Rebate

A31/A75 Other Day Cancel/Borrower Rebate

A83 Refund Transferred to Fees, Interest & Principal

A31/A83 Other Day Cancel/Refund Transferred to Fees, Interest & Principal

A79/A83 Cancel Refund Transferred to Fees, Interest & Principal

I81 Principal Reduction

A31/I81 Other Day Cancel/Principal Reduction

K84/I81 Cancel Principal Reduction

I82 Insurance Fee Rebate

A31/I82 Other Day Cancel/Insurance Fee Reduction

K84/I82 Cancel Insurance Fee Reduction

I83 Origination Fee Rebate

A31/I83 Other Day Cancel/Origination Fee Reduction

K84/I83 Cancel Origination Fee Reduction

I88 Nelnet Interest Incentive

A31/I88 Other Day Cancel/Nelnet Interest Incentive

C88/I88 Cancel Nelnet Interest Incentive

Refunds Paid

A80 Borrower Refund

A31/A80 Other Day Cancel/Borrower Refund

A79/A80 Cancel Borrower Refund

A81 Guarantee Refund

A31/A81 Other Day Cancel/Guarantee Refund

A79/A81 Cancel Guarantee Refund

A82 Owner Refund A31/A82 Other Day Cancel/Owner Refund

A79/A82 Cancel Owner Refund

From: Bubel, Susan
Sent: 31 May 2017 12:57:53 +0000
To: (b)(4); (b)(6)
(b)(4); (b)(6) Jackson, Lateata;Yorkshire, Nikcola;(b)(4); (b)(6) Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Subject: RE: CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet

Thanks, sorry it was a long day and I did not scroll far enough down to see it.

Talk to you all in a few minutes.

Sue

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto(b)(4); (b)(6) @nelnet.net]
Sent: Wednesday, May 31, 2017 8:53 AM
To: Bubel, Susan; (b)(4); (b)(6)
Jackson, Lateata; Yorkshire, Nikcola; (b)(4); (b)(6) Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Subject: RE: CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet

Good Morning,

Here is the call in number and the link to the webEx in the meeting.

(b)(6) (US Toll Free)
(US Toll)

Participant Access Code:
(b)(6)

To start or join the online portion of the meeting, go here:
https://join.nelnet.net/orion/joinmeeting.do?MeetingKey=999106707&PW=BgAAAGWB6TiL3thLOAov2e4HhWO-_000sBAAXmpMMgmJw7z2p6KpZmHeNt7t3L4NSAfuIMylNicvBrIs_MKB_4MUbT7J

Thank you,

(b)(4); (b)(6)
O: (b)(6)
C: (b)(6)

(b)(4); (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Tuesday, May 30, 2017 7:17 PM
To: (b)(4); (b)(6) @nelnet.net>;(b)(4); (b)(6) @5280Solutions.com>;
(b)(4); (b)(6) @5280Solutions.com>;(b)(4); (b)(6) @nelnet.net>;(b)(4); (b)(6)

(b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) (b)(4); (b)(6) @nelnet.net>; Jackson, Lateata <Lateata.Jackson@ed.gov>; Yorkshire, Nikcola <Nikcola.Yorkshire@ed.gov>; (b)(4); (b)(6) Thornton@nelnet.net>; Kim, Bora <Bora.Kim@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Oldre, Lisa <Lisa.Oldre@ed.gov>; Walsh, Mark <Mark.Walsh@ed.gov>; Leavitt, Katharine <Katharine.Leavitt@ed.gov>; Mitchell, Shayla <Shayla.Mitchell@ed.gov>; McDonald, Katrina <Katrina.McDonald@ed.gov>
Subject: RE: CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet

Good Evening,

Sorry these are so late but I just finished reviewing. Talk to you all in the morning. Please send the dial in number /Web Ex meeting information.

Sue

-----Original Appointment-----
From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Wednesday, February 01, 2017 4:03 PM
To: (b)(4); (b)(6)
(b)(4); Jackson, Lateata; Yorkshire, Nikcola; (b)(4); (b)(6) Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Subject: CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet
When: Wednesday, May 31, 2017 8:00 AM-11:00 AM (UTC-06:00) Central Time (US & Canada).
Where: See call in - LIN- Ford Room

Hello,

Reserving time for Nelnet's walkthrough for CR 2785 and CR 3835.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) @Nelnet.net
nelnet.com

DO NOT DELETE OR CHANGE ANY OF THE TEXT BELOW THIS LINE

(b)(4); (b)(6) has scheduled this WebEx Personal Conference meeting.

CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet
Host: (b)(4); (b)(6)

Audio Connection

(b)(6) (US Toll Free)
(US Toll)

Participant Access Code:
(b)(6)

When prompted, enter the access code for the audio portion of the Personal Conference meeting.

To start or join the online portion of the meeting, go here:
https://join.nelnet.net/orion/joinmeeting.do?MeetingKey=999106707&PW=BgAAAGWB6TiL3thLOAov2e4HhWO-_000sBAAXmpMMgmJw7z2p6KpZmHeNt7t3L4NSAfuIMylNicvBrIs_MKB_4MUbT7J

Online Access Information

Meeting Number: (b)(6)
Meeting Password: (b)(6)

Hosts, need your host access code or key? Go to the Personal Conference meeting information page:
https://join.nelnet.net/orion/meeting/meetingInfo?MeetingKey=999106707&PW=BgAAAGWN2infJd5A9a2hKNayXwDia0BtP6ZavNzZtQ3ObV56UfiOdyHXb5WF5jynEFV-Z_r0a5CMhuyxEBi2abqQN5Ak

Delivering the power of collaboration
The join.nelnet.net team

From: Bubel, Susan
Sent: 31 May 2017 15:46:56 +0000
To: Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Subject: RE: CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet
Attachments: FSA Comments on CR2785 Artifacts_walkthrough notes 053117.docx

Notes from the meeting with Nelnet. Please feel free to add or modify if I missed something.

Thanks,

Sue

(b)(4); (b)(6)

-----Original Appointment-----
From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Wednesday, February 1, 2017 4:03 PM
To: (b)(4); (b)(6) Jackson, Lateata; Yorkshire, Nikcola; (b)(4); (b)(6) ; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Subject: CR 2785 Phase 2 & CR 3835 Walkthrough - Nelnet
When: Wednesday, May 31, 2017 8:00 AM-11:00 AM (UTC-06:00) Central Time (US & Canada).
Where: See call in - LIN- Ford Room

Hello,

Reserving time for Nelnet's walkthrough for CR 2785 and CR 3835.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6) @Nelnet.net
nelnet.com

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Online Access Information

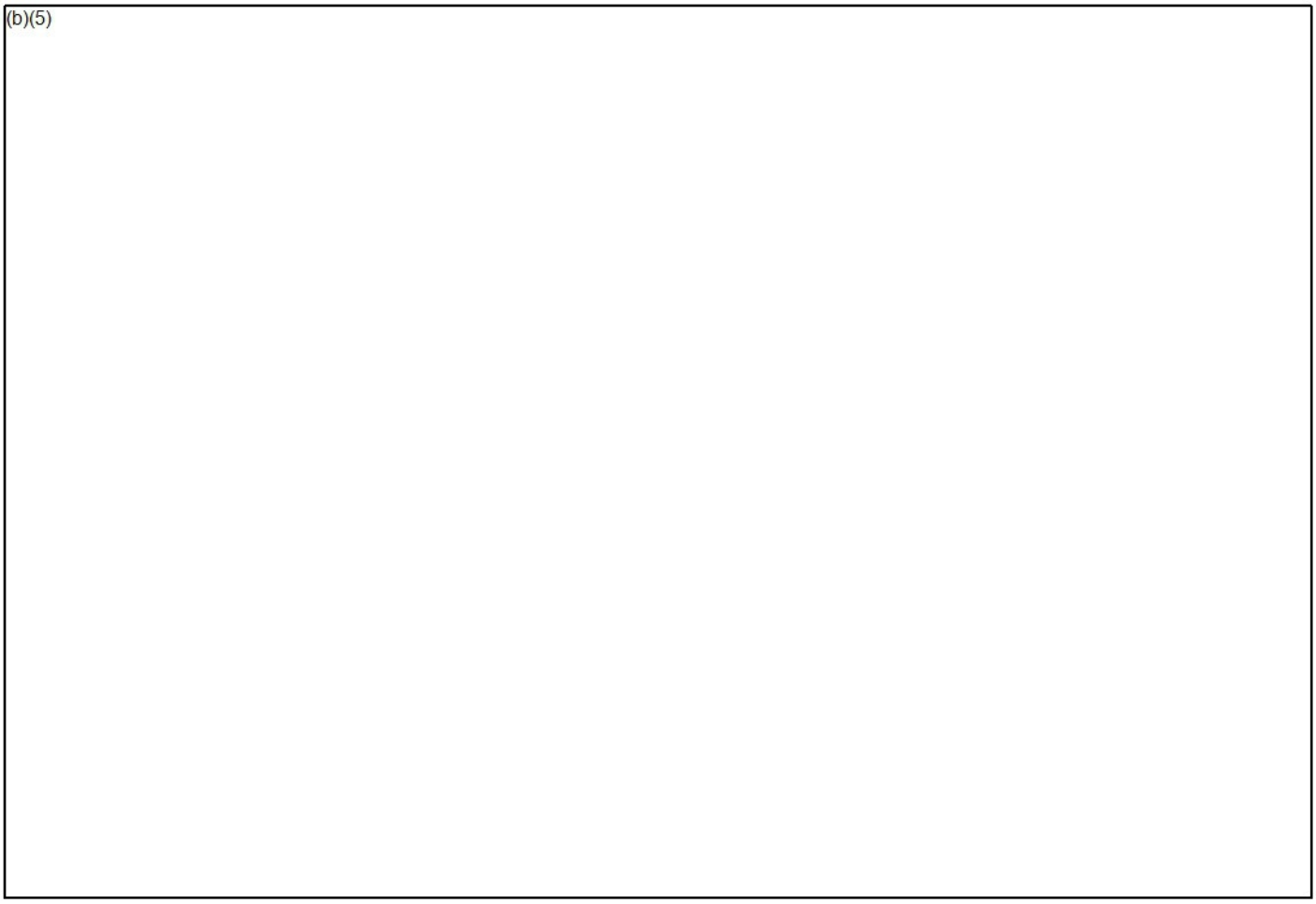
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Meeting Password: (b)(6)

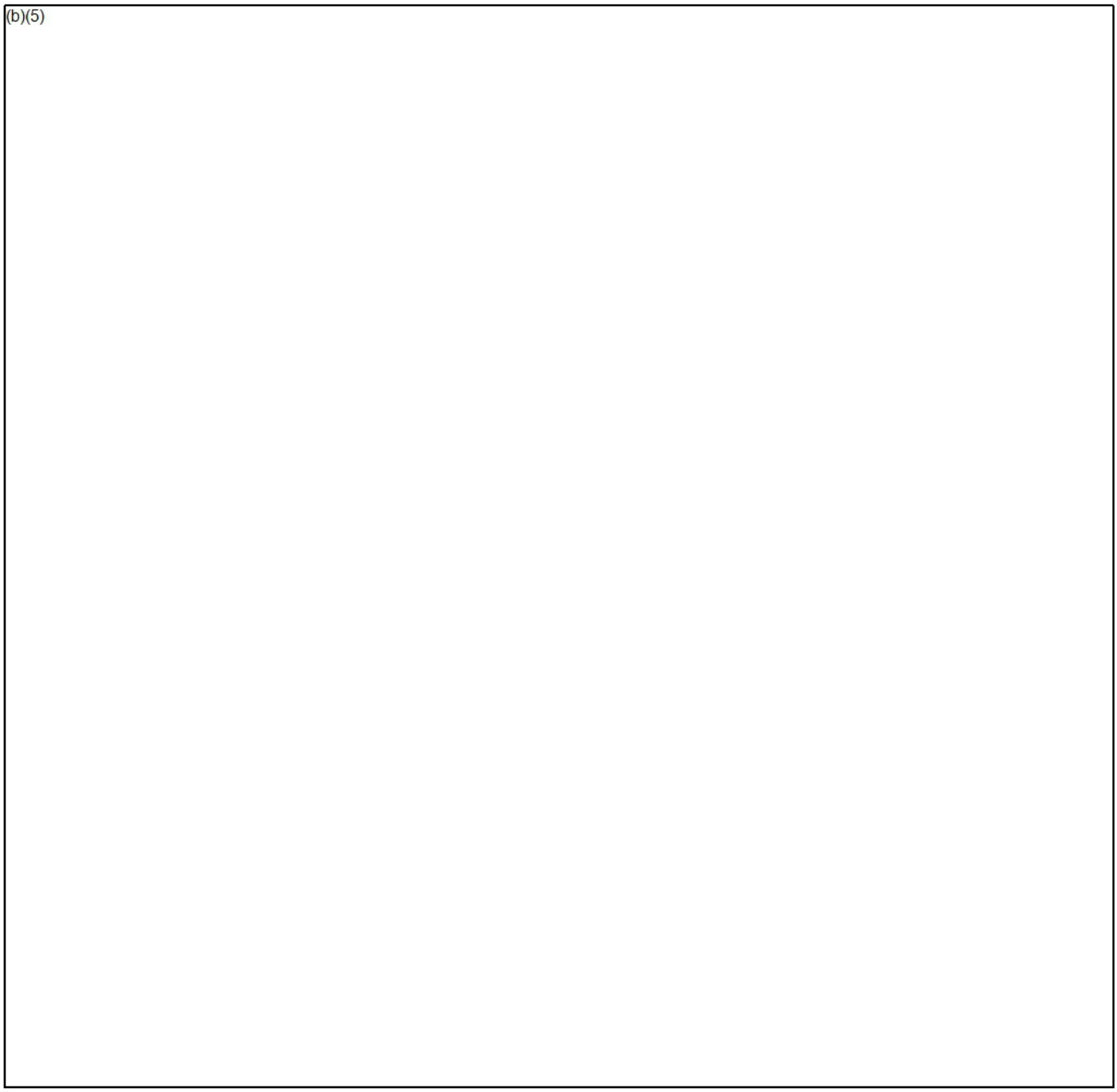
Hosts, need your host access code or key? Go to the Personal Conference meeting information page:
https://join.nelnet.net/orion/meeting/meetingInfo?MeetingKey=999106707&PW=BgAAAGWN2infJd5A9a2hKNayXwDia0BtP6ZavNzZtQ3ObV56UfiOdyHXb5WF5jynEFV-Z_r0a5CMhuyxEBi2abqQN5Ak

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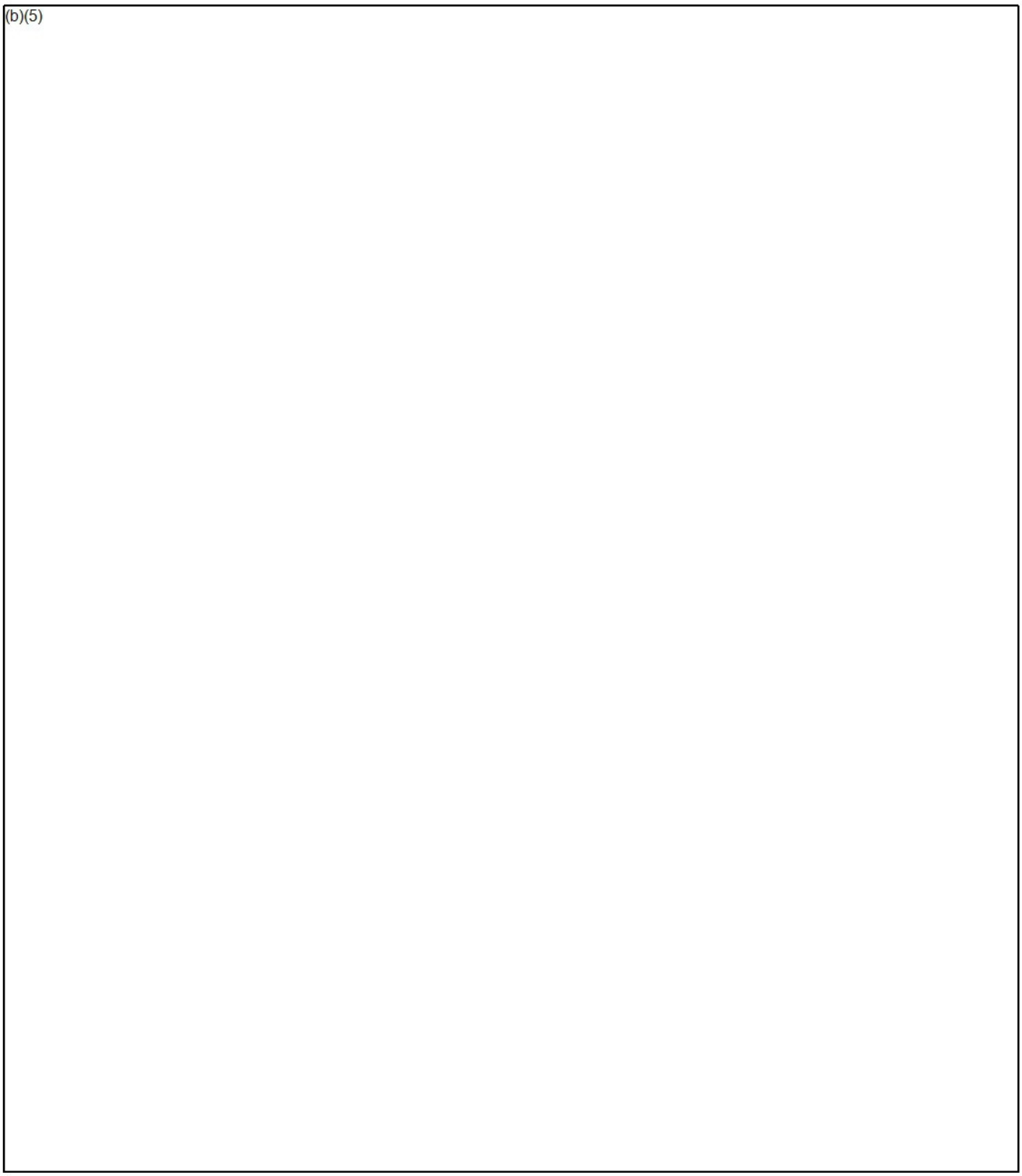
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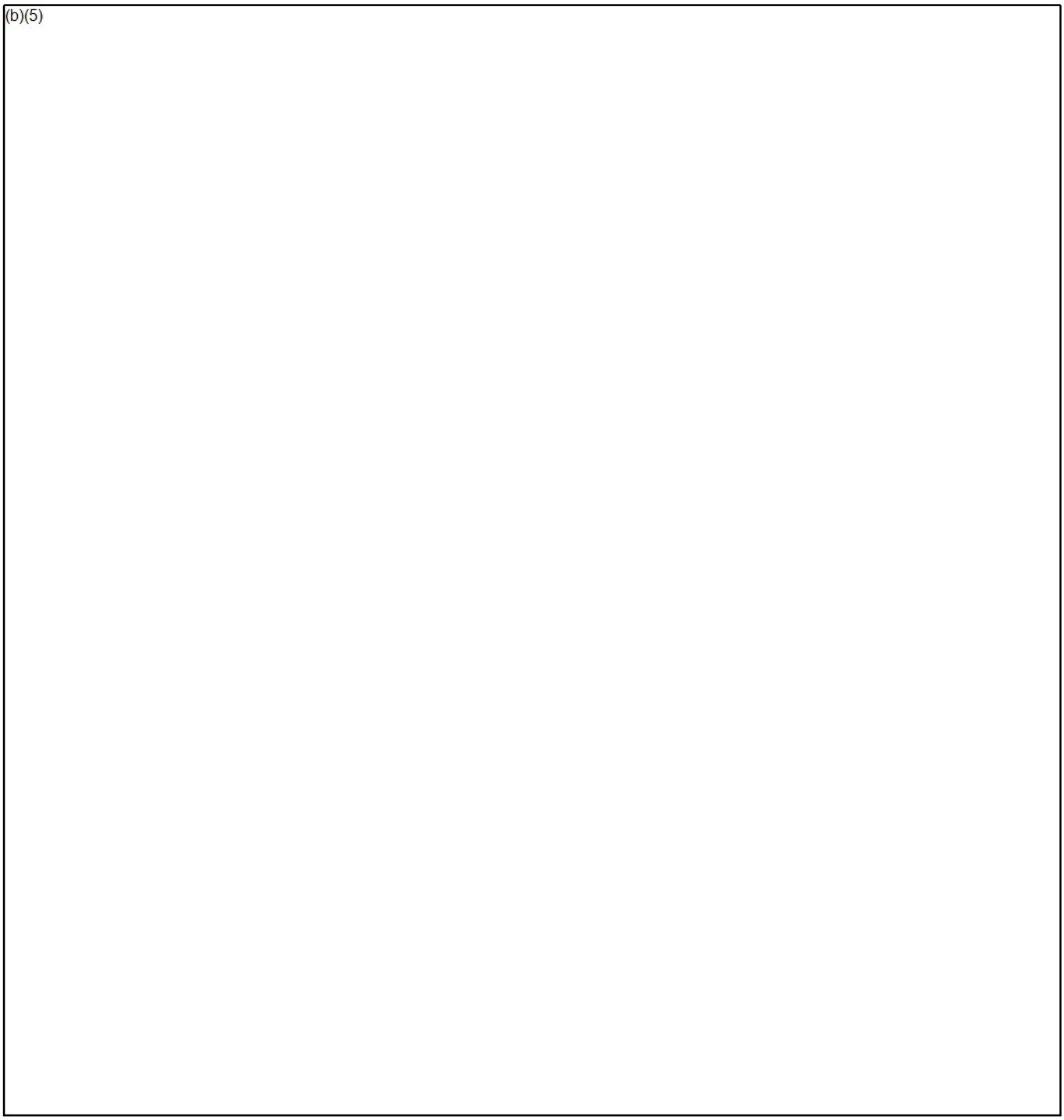
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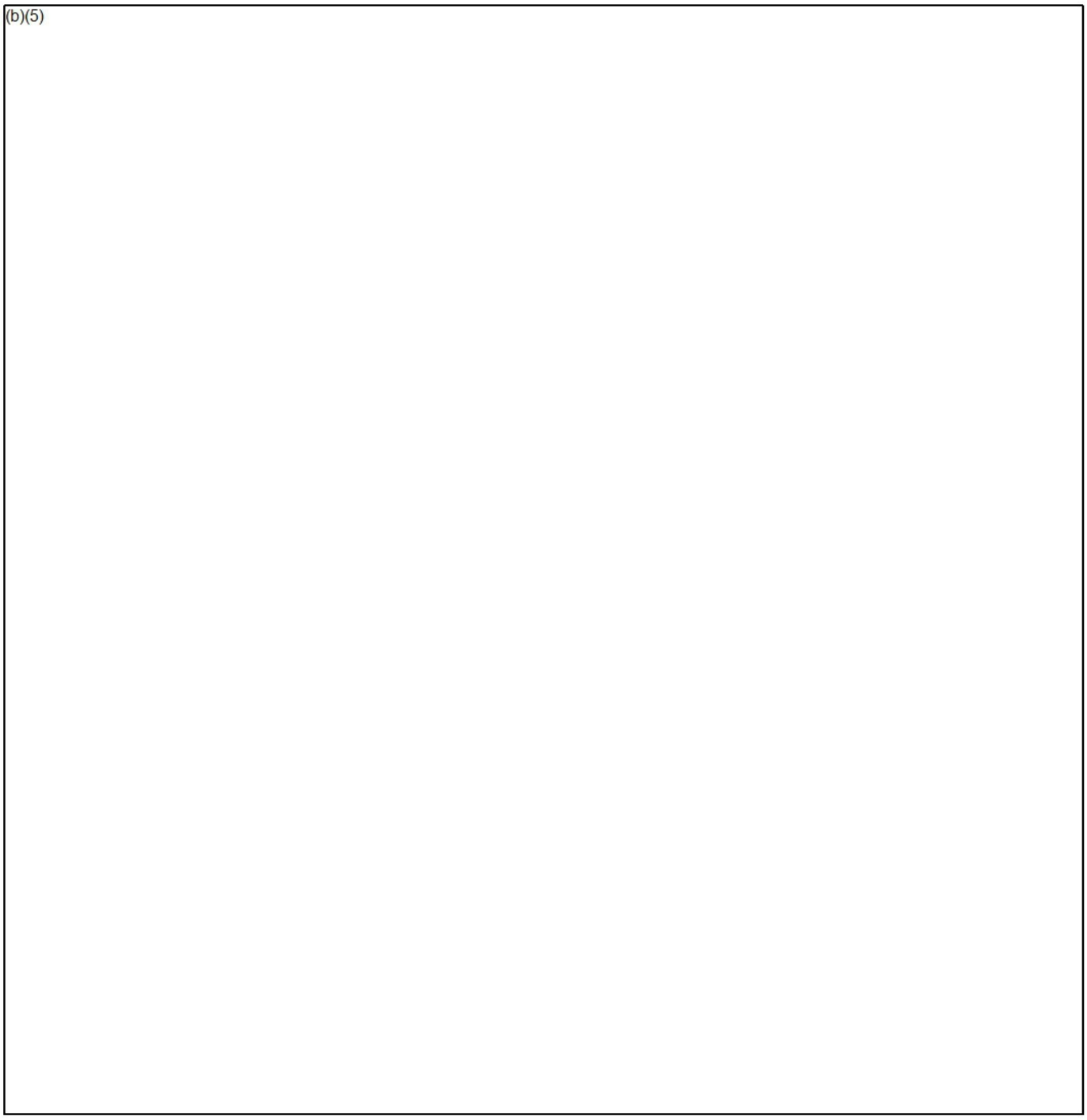
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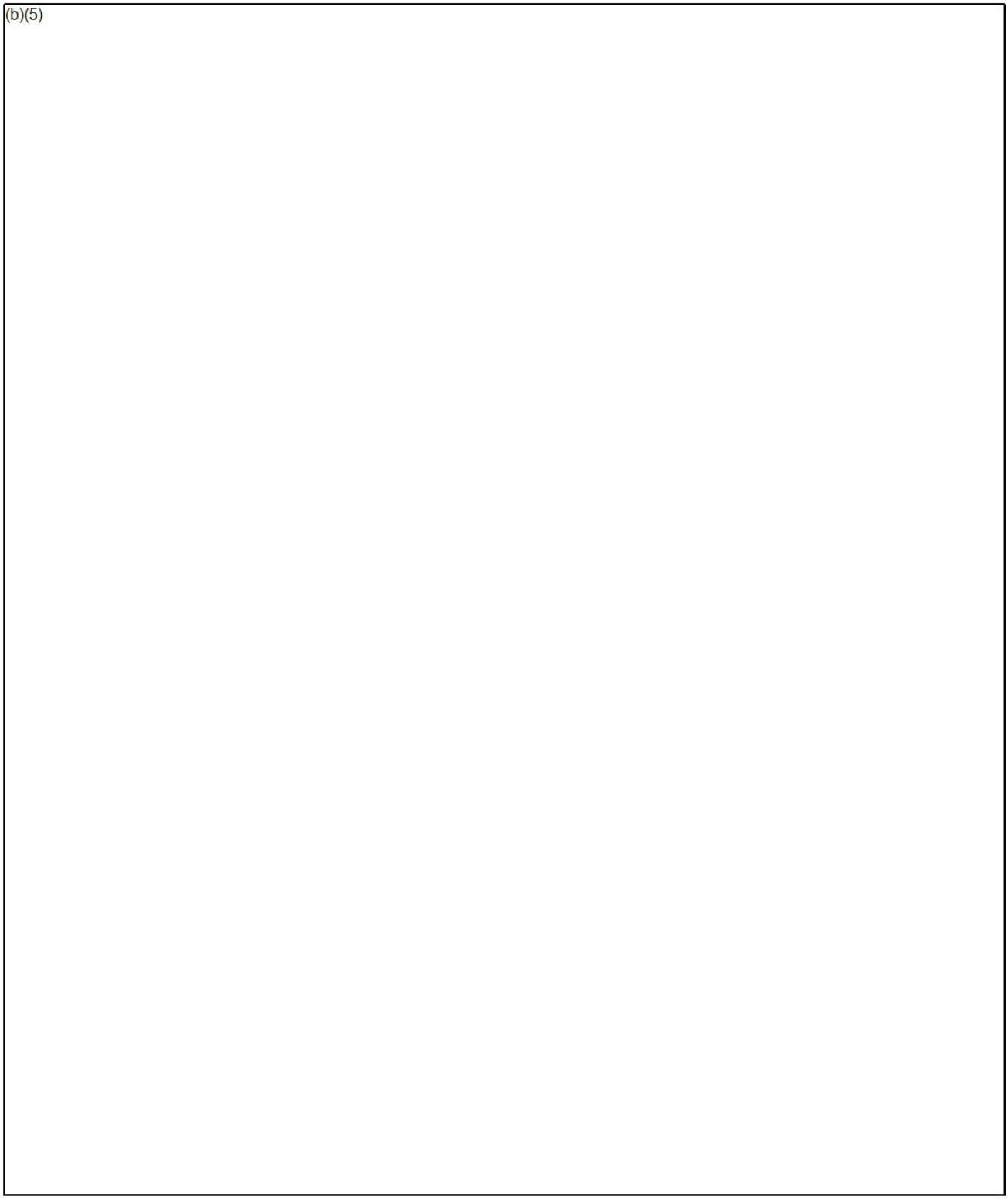

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From: Bubel, Susan
Sent: 7 Apr 2016 13:41:17 +0000
To: Battle, Cynthia;Chialastri, Taneka;Foss, Ian
Subject: RE: CR 2785 Q&A Preview

Good morning all,
Just following up to see if you had any comments/ corrections on the draft responses. Our meeting is at 1 today on this with the servicers. The servicers have received the validation scenarios so I am thinking we might discuss that.

From: Bubel, Susan
Sent: Wednesday, April 06, 2016 11:28 AM
To: Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: CR 2785 Q&A Preview

Good morning all,
I have compiled the questions and drafted responses/ updates to the Q&A log for Capping (we have a meeting with the servicers tomorrow @1)
Great Lakes also sent some scenarios they wanted to review. I added my commetns. Please take a look and let me know any thoughts, comments, corrections. Also if you think it would be easier, I can schedule a quick call be fore tomorrow's meeting and we can meet to discuss.
Thanks for your help on this.
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
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From: Foss, Ian
Sent: 6 Oct 2014 21:02:12 +0000
To: Battle, Cynthia
Subject: RE: CR 2785 Questions from Nelnet

Now this is what I call an oversight strategy.

By the way, here's my new cell phone number: (b)(6)

From: Battle, Cynthia
Sent: Monday, October 06, 2014 4:56 PM
To: Foss, Ian
Subject: RE: CR 2785 Questions from Nelnet

Yeah… make sense now? NN scrambling to validate every single requirement and interpretation regarding capitalization. They realize they are on the auditor watch list!!

From: Foss, Ian
Sent: Monday, October 06, 2014 4:52 PM
To: Battle, Cynthia
Subject: RE: CR 2785 Questions from Nelnet

Ohhhhhhh….gotcha. Thanks!

From: Battle, Cynthia
Sent: Monday, October 06, 2014 4:51 PM
To: Foss, Ian
Subject: RE: CR 2785 Questions from Nelnet

The NN audit issue….

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.***

From: Foss, Ian
Sent: Monday, October 06, 2014 4:47 PM
To: Battle, Cynthia
Subject: RE: CR 2785 Questions from Nelnet

Can you remind me what CR 2785 is?

From: Jackson, Lateata
Sent: Monday, October 06, 2014 4:43 PM
To: Washington, Patrice; Connelly, Tammy; (b)(4); (b)(6); Onley, Nora; Whittington, Rochelle
Cc: Battle, Cynthia; Foss, Ian
Subject: CR 2785 Questions from Nelnet

In reviewing the attached questions from Nelnet FSA requests that Nelnet provide more detail to each question and provide scenarios or examples to support the question? Further, FSA would like to refer the contractor back to the Q&As from CRs 1492 & 1827 as some of the answers they seek may be found there.

FSA requests that Nelnet resubmit their questions within 1 week (NLT 10/13/2014) so we can keep CR 2785 moving forward.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Battle, Cynthia
Sent: 6 Oct 2014 15:51:10 -0500
To: Foss, Ian
Subject: RE: CR 2785 Questions from Nelnet
Attachments: CR 2785 - CR 1492 Requirement Clarification

The NN audit issue….

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.***

From: Foss, Ian
Sent: Monday, October 06, 2014 4:47 PM
To: Battle, Cynthia
Subject: RE: CR 2785 Questions from Nelnet

Can you remind me what CR 2785 is?

From: Jackson, Lateata
Sent: Monday, October 06, 2014 4:43 PM
To: Washington, Patrice; Connelly, Tammy; (b)(4); (b)(6) Onley, Nora; Whittington, Rochelle
Cc: Battle, Cynthia; Foss, Ian
Subject: CR 2785 Questions from Nelnet

In reviewing the attached questions from Nelnet FSA requests that Nelnet provide more detail to each question and provide scenarios or examples to support the question? Further, FSA would like to refer the contractor back to the Q&As from CRs 1492 & 1827 as some of the answers they seek may be found there.

FSA requests that Nelnet resubmit their questions within 1 week (NLT 10/13/2014) so we can keep CR 2785 moving forward.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: 5 Sep 2014 10:16:07 -0500
To: (b)(4); (b)(6) Whittington, Rochelle;Miller, Debbie;Onley, Nora;POC Change Request
Cc: Battle, Cynthia;Oldre, Lisa;Strudgeon, George;Kim, Bora;Leavitt, Katharine
Subject: CR 2785 - CR 1492 Requirement Clarification
Attachments: CR_2785 Revised__090514.docx

Attached is CR 2785 that has been validated and is ready to be sent to contractors for assessment. Assessments are due back to FSA no later than 9/19/2014.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Business Operations Change Request Form

Send all Change Request Forms to POCChangeRequest@ed.gov

Administrative Information

Service Area Validation for Submission: Completed: ☒ **Defer:** ☐ **ID:** 2785
Requestor: Cindy Battle **Date Drafted:** 09.02.14
CR Title: 1492 Requirement Clarification **Date Received:** 9/2/14
BA: La Teata Jackson **Anticipated Implementation Date:** NLT March 2, 2015

FSA Service/System/Area Impacted

☒ Title IV Servicers (TIVAS)	☐ Ancillary Services	☐ Call Centers
☒ Not-for-Profits (NFPs)	☐ COD	☐ FMS
☐ PSLF	☐ NSLDS	☐ Security Architecture
☐ TEACH	☐ ADM/FPDM	☐ EAI
☐ TPD	☐ CPS	☐ PEPS/IPM
☐ Perkins	☐ EDExpress	☐ SAIG
☐ DMCS/DMCS2	☐ eCampus-Based	☐ AIMS
☐ DLCS	☐ Participation Management	☐ **Other:** _____

☒ **Notification Only: NSLDS**

Reason for Change (Business Need):

Background:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Servicer Requirements:

- If the Servicer concludes that this CR is fully complied with, please provide an Impact Analysis document stating such. Validation artifacts will then be required to demonstrate compliance as appripriate.
  - FSA notes some servicers are likely to state that "their system complies", but they have business rules that exclude from capitalization that which accrued on a prior servicer's system; please note that this condition is not acceptable compliance and will require change.
- If the Servicer concludes that this CR is not fully complied with, please provide an Impact Analysis document stating such and identify the changes to be taken to become fully compliant.

Requirement #	Requirement	Fully Compliant Y	N
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with an effective date of July 31.		
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.		
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.		
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.		
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) Plan, the borrower’s monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is		

	referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.		
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.		
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**		
5066.01	This requirement overrides any other capitalization requirement.		
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.		
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.		
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.		
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**		
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**		
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.		
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).		
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.		

5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.		
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.		
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.		
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**		
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.		
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**		

Additional Information (All <u>OPERATIONAL</u> impacts must be assessed):

Capitalization References:
685.202
(b) Capitalization. (1) The Secretary may add unpaid accrued interest to the borrower's unpaid principal balance. This increase in the principal balance of a loan is called ''capitalization.''

(3) Notwithstanding § 685.208(l)(5) and § 685.209(d)(3), for a Direct Loan not eligible for interest subsidies during periods of deferment, and for all Direct Loans during periods of forbearance, the Secretary capitalizes the unpaid interest that has accrued on the loan upon the expiration of the deferment or forbearance.

(4) Except as provided in paragraph (b)(3) of this section and in § 685.208(l)(5), and § 685.209(d)(3), the Secretary annually capitalizes unpaid interest when the borrower is paying under the alternative or income contingent repayment plans and the borrower's scheduled payments do not cover the interest that has accrued on the loan.

685.209
(5) Limitation on capitalization of interest.
If the amount of a borrower's monthly payment is less than the accrued interest, the unpaid interest is capitalized until the outstanding principal amount is ten percent greater than the original principal amount. After the outstanding principal amount is ten percent greater than the original amount, interest continues to accrue but is not capitalized. For purposes of this paragraph, the original amount is the amount owed by the borrower when the borrower enters repayment.

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)? (THIS FIELD IS REQUIRED)
X No ☐ Yes

IST Anticipation (THIS FIELD AND DATE ARE REQUIRED):
X No ☐ Yes; Anticipated Date(s):

Post-Implementation Validation (THIS FIELD IS REQUIRED):
☐ No X Yes

Validation (REQUIRED FOR SERVICERS ONLY):

Requirement ID	Requirement	Validation Artifact(s)	Due Date
5065.00	The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.	➢ FSA will supply each servicer with the same set of 20 scenarios (making modification as appropriate to the original 1492 test conditions) to document compliance ➢ The Servicer shall provide not less than 20 test scenarios, executed in a test mode.	2/9/2015

From: Washington, Patrice
Sent: 7 Oct 2014 08:22:11 -0500
To: Jackson, Lateata;Connelly, Tammy;(b)(4); (b)(6) Onley, Nora;Whittington, Rochelle
Cc: Battle, Cynthia;Foss, Ian
Subject: RE: CR 2785 Questions from Nelnet

The request has been forwarded to NN

Patrice D.Washington
Contracting Officer's Representative
Federal Student Aid
Business Operations
830 First Street, NE, 661A2
Washington, DC 20202
202-377-3845 Office

From: Jackson, Lateata
Sent: Monday, October 06, 2014 4:43 PM
To: Washington, Patrice; Connelly, Tammy; (b)(4); (b)(6) Onley, Nora; Whittington, Rochelle
Cc: Battle, Cynthia; Foss, Ian
Subject: CR 2785 Questions from Nelnet

In reviewing the attached questions from Nelnet FSA requests that Nelnet provide more detail to each question and provide scenarios or examples to support the question? Further, FSA would like to refer the contractor back to the Q&As from CRs 1492 & 1827 as some of the answers they seek may be found there.

FSA requests that Nelnet resubmit their questions within 1 week (NLT 10/13/2014) so we can keep CR 2785 moving forward.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Meadows, Kim
Sent: 4 Feb 2015 11:37:12 -0600
To: Bubel, Susan;Battle, Cynthia;Foss, Ian;Jackson, Lateata;Oldre, Lisa
Subject: RE: CR 2785 Requirements Checklist Attachment 020415.xlsx
Attachments: Copy of CR 2785 Requirements Checklist Attachment 020415.xlsx

I know it's down to the wire but I had a few minor suggestions on 6, 7, 9 and 10.
Thank you,

Kim Meadows
Management and Program Analyst
US Department of Education, Internal Control Division
830 First Street, N.E., Washington, D.C. 20202
(202)377-3058
kim.meadows@ed.gov
www.FederalStudentAid.ed.gov
Start Here. Go Further

From: Bubel, Susan
Sent: Wednesday, February 04, 2015 10:48 AM
To: Battle, Cynthia; Foss, Ian; Meadows, Kim; Jackson, Lateata; Oldre, Lisa
Subject: CR 2785 Requirements Checklist Attachment 020415.xlsx

All,
Sorry for the short notice, but can you all take a quick review of these scenarios to validate the servicers understanding of the requirements in CR2785 (Capping). If you all could get me your feedback by 1 that would be great!!!
Thanks,
Sue

Page 1838

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 1839

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 1840

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
3	Borr on Neg Am doesn't cap while in defer	5023			
4	Neg Am with forb during year	5065			
5	Neg Am with Defer during year	5065			
6	IBR on PFH with forb	5066			
7	Non-Capping Forb followed by Defer	5070			
8	Defer followed by Non-Capping Forb	5070			

9	Non-capping forb followed by a capping forb	5071	(b)(5)
10	Non-capping forb followed by a capping forb with payments	5072	

Examples - based on test scenarios for 5023 and 5065

(b)(5)

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		

10	Mohela	(b)(5)
11	Great Lakes	
12	Great Lakes	
13	FedLoan	
14	FedLoan	

15	FedLoan	(b)(5)

From: Bubel, Susan
Sent: 14 Dec 2016 18:24:12 +0000
To: Jackson, Lateata
Cc: Chialastri, Taneka;Foss, Ian;Battle, Cynthia
Subject: RE: CR 2785 responses/ updates
Attachments: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx

La Teata,

Here is the updated workbook to share with the servicers. This should resolve all of the outstanding questions in the workbook. The only outstanding question I know of for CR2785 is from PHEAA in regards to subsidy benefits which I have asked the financial /reconciliation folks for guidance.

It might be a bit until I have a response for that one.

Thanks,

Sue

From: Foss, Ian
Sent: Wednesday, December 14, 2016 12:58 PM
To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

Just under the wire. ☺

From: Bubel, Susan
Sent: Wednesday, December 14, 2016 12:12 PM
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Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

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Sent: Wednesday, December 14, 2016 12:11 PM
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Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

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Sent: Wednesday, December 14, 2016 11:47 AM
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Cc: Chialastri, Taneka; Foss, Ian
Subject: RE: CR 2785 responses/ updates

Any comments? If nothing by 1, La Teata please send to the project group.

BTW not sure if you have already, but remove VSAC folks and (b)(4); (b)(6) from Navient changed her name.

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Sue

From: Bubel, Susan
Sent: Tuesday, December 13, 2016 2:22 PM
To: Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka; Foss, Ian
Subject: RE: CR 2785 responses/ updates

Good Afternoon,

I have updated the outstanding questions that we were awaiting input form PLI on a bit back. I followed up with Ian last week (or the week before) and got the updates we needed. Please take a look and let me know by noon tomorrow if you all are good. Then La Teata can you send out to the group?

The updated Q&A's were #150 and 152 and then the embedded document on the last tab of the workbook (Neg Am scenarios) the last couple of pages . Updates are in red font.

Thanks,

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From: Bubel, Susan
Sent: Friday, October 21, 2016 9:28 AM
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- (b)(5)
-

(b)(5)

Both of these items have been sent to Jon who requested more time and would like to discuss them with Brian Seigle.

I wanted to get the responses we have to the servicers so I marked the questions in the Q&A with (Follow up) and the scenarios have red font where the response is still outstanding or may change based on response from PLI.

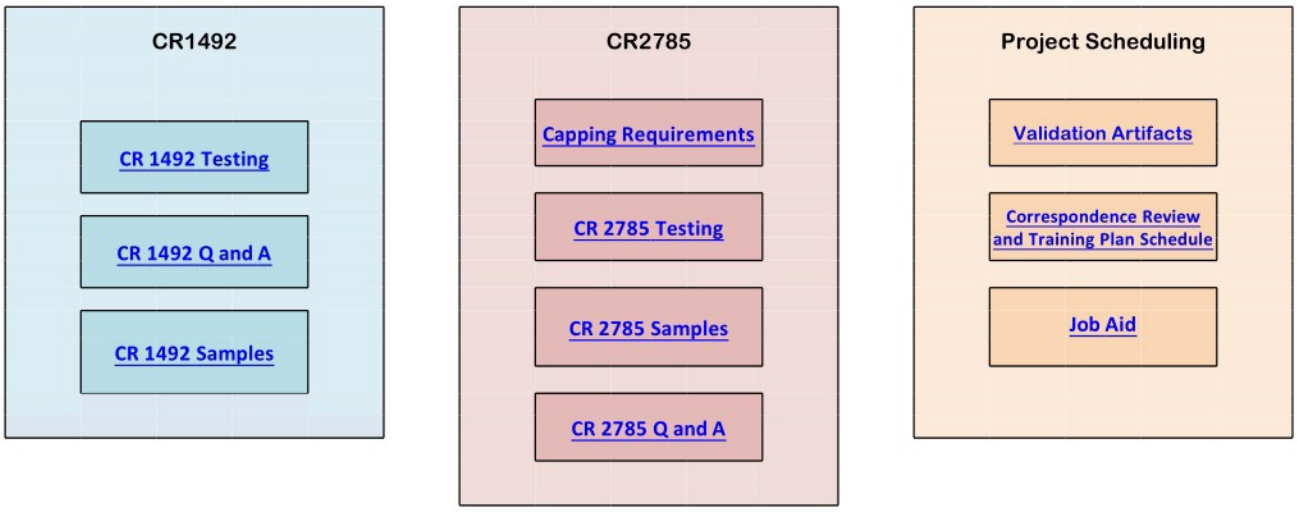
Please let me know if you have any additional comments or questions,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.09.16	V1.01	
03.10.16	V1.02	
03.21.16	V1.03	
04.06.16	V1.04	
08.22.16	V1.05	
08.23.16	V1.06	
08.26.16	V1.07	
10.12.16	V1.08	
10.20.16	V1.09	
12.13.16	V1.10	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

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Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

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Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

HOME

8	Neg Am all year - over cap at start of year	5023
9	Neg Am all year - over cap during year	5023
10	Neg Am all year - over cap during year - forb after	5023
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023
12	Neg Am with forb during year	5065
13	Neg Am with Defer during year	5065
14	IBR on PFH with defer	5066
15	IBR on PFH with forb	5066
16	IBR on PFH with defer	5066
17	IBR on PFH with forb	5066

(b)(5)

18	G/E followed by a defer	5068
19	G/E followed by a forb	5068
20	G/E followed by a defer and forb	5068
21	G/E followed by a forb and defer	5068
22	Forb followed by defer	5069
23	Defer followed by forb	5069
24	Defer followed by defer	5069
25	Defer, payment, forb	5069
26	Forb payment defer	5069

(b)(5)

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

HOME

HOME

(b)(5)

(b)(5)

HOME

Example #1 **Neg Am Capping**

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action
1	Mohela	(b)(5)	
2	Mohela		
3	Mohela		
4	Mohela		
5	Mohela		
6	Mohela		
7	Mohela		
8	Mohela		
9	Mohela		
10	Mohela		

HOME

11	(b)(5)			
12				
13				
14				
15				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		

14	Great Lakes	5066.01
15	Nelnet	5072
16	Great Lakes	5072.01
17	Navient	General
18	Navient	General
19	PHEAA	Job Aid Example 8
20	Great Lakes	Job Aid P20
21	Aspire	
22	Nelnet	5065 (Job Aid Example 5)
23	Aspire	General
24	PHEAA	Implementation Plan
25	Aspire	General
26	Aspire	General
27	Nelnet	Job Aid Example 4
28	Navient	Job Aid Example 5
29	Navient	Job Aid Example 7
30	Great Lakes	Job Aid P7
31	Nelnet	Job Aid P7
32	PHEAA	Job Aid Question #15

(b)(5)

33	Aspire	5065
34	Nelnet	5023.04 (Job Aid 1)
35	PHEAA	
36	PHEAA	
37	PHEAA	
38	PHEAA	
39	PHEAA	
40	Navient	5065
41	Navient	
42	Navient	
43	Nelnet	5023
44	Aspire	5023
45	Nelnet	5023.01
46	Navient	5023.01
47	Nelnet	5023.03

(b)(5)

48	Navient	Job Aid Example 1
49	Navient	Job Aid Example 2
50	Navient	Job Aid Example 8
51	PHEAA	5023
52	PHEAA	5023
53	PHEAA	5023
54	PHEAA	5023
55	PHEAA	5023

(b)(5)

56	CornerStone	5023	(b)(5)
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	

62	Nelnet	Q & A 56
63	Great Lakes	Job Aid p. 19
64	Great Lakes	Job Aid p.10
65	Nelnet	
66	Nelnet	
67	PHEAA	
68	PHEAA	

(b)(5)

69	PHEAA		(b)(5)
70	Navient		
71	Navient		
72	Navient		
73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	

74	Nelnet	5069 5066.02	(b)(5)
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	

82	Navient	EA27 Change	(b)(5)
83	PHEAA		
84	Great Lakes		
85	Navient		

86	Nelnet		(b)(5)
87	Nelnet		
88	Nelnet		
89	Navient		
90	Great Lakes		

91	Great Lakes		(b)(5)
92	Great Lakes		
93	Great Lakes		
94	Great Lakes		
95	Great Lakes		

96	Great Lakes		(b)(5)
97	Great Lakes		
98	Great Lakes		
99	Great Lakes		
100	Great Lakes		

101	Great Lakes		(b)(5)
102	Great Lakes		
103	Great Lakes		

104	Great Lakes		(b)(5)
105	Great Lakes		
106	Great Lakes		
107	Great Lakes		
108	Navient		
109	Navient		
110	Navient		
111	Navient		
112	Navient		
113	Navient		

114	Navient		(b)(5)
115	Navient		
116	Navient		
117	Nelnet		
118	Nelnet		
119	Nelnet		
120	Nelnet		
121	Nelnet		
122	Nelnet	6	
123	Nelnet	6	
124	Nelnet	7	
125	Nelnet		
126	Nelnet		
127	Nelnet		
128	Nelnet		
129	Nelnet		
130	Nelnet		

131	Nelnet		(b)(5)
132	Nelnet		
133	Nelnet		
134	Nelnet		
135	Nelnet		
136	Nelnet		
137	Nelnet		
138	Nelnet		
139	Nelnet		
140	Navient		
141	Navient		
142	Great Lakes		
143	Navient		
144	Navient		

145	Navient		(b)(5)
146	Navient		
147	Navient		
148	Navient		
149	Navient		
150	Navient		
151	Navient		
152	Navient		
153	Navient		
154	Navient		
155	Navient		
156	Navient		

157	Navient		(b)(5)
158	Navient		
159	Navient		
160	Nelnet		
161	Nelnet		

162	Nelnet		(b)(5)
163	Nelnet		
164	Nelnet		

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Capitalization Job Aid_102016

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Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

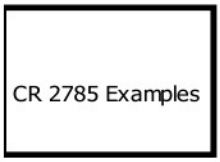
The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

HOME


Neg Am Scenarios


CR 2785 Examples

From: Bubel, Susan
Sent: 14 Dec 2016 18:13:39 +0000
To: Foss, Ian;Jackson, Lateata;Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

I just saw that after I emailed you ☺

From: Foss, Ian
Sent: Wednesday, December 14, 2016 1:12 PM
To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

Borrower can exit IBR whenever they want, so long as they have term remaining under standard. If the borrower wants to move into another plan after being placed on standard, that's when they make the reduced-payment forbearance payment or the standard payment. There's a comment bubble in the document about that (though towards the end).

From: Bubel, Susan
Sent: Wednesday, December 14, 2016 1:11 PM
To: Foss, Ian; Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

Just a quick clarification, I intentionally did not include IBR on the responses to 2-6 as a borrower would not be able to "exit " IBR during a deferment or forbearance as they could not make the expedited nor reduced payment forbearance payment. Are you proposing we include IBR because the borrower could potentially move from IB (IBR with PFH) to IL (IBR with no PFH) during a forbearance or deferment?

I just want to be sure I can respond if the servicers ask why we included IBR.

Thanks,

Sue

From: Foss, Ian
Sent: Wednesday, December 14, 2016 12:58 PM
To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

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Cc: Chialastri, Taneka; Foss, Ian
Subject: RE: CR 2785 responses/ updates

Any comments? If nothing by 1, La Teata please send to the project group.

BTW not sure if you have already, but remove VSAC folks and (b)(4); (b)(6) from Navient changed her name.

Thanks,

Sue

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Good Afternoon,

(b)(5)

(b)(5) Please take a look and let me know by noon tomorrow if you all are good. Then La Teata can you send out to the group?

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Thanks,

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Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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PROUD SPONSOR of the AMERICAN MIND™

From: Bubel, Susan
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Thank You !!! ☺

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Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov



From: Foss, Ian
Sent: 14 Dec 2016 17:58:16 +0000
To: Bubel, Susan;Jackson, Lateata;Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates
Attachments: Examples.docx

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Subject: RE: CR 2785 responses/ updates

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BTW not sure if you have already, but remove VSAC folks and (b)(4); (b)(6) from Navient changed her name.

Thanks,

Sue

From: Bubel, Susan
Sent: Tuesday, December 13, 2016 2:22 PM
To: Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka; Foss, Ian
Subject: RE: CR 2785 responses/ updates

Good Afternoon,

(b)(5)

(b)(5) Please take a look and let me know by noon tomorrow if you all are good. Then La Teata can you send out to the group?

The updated Q&A's were #150 and 152 and then the embedded document on the last tab of the workbook (Neg Am scenarios) the last couple of pages . Updates are in red font.

Thanks,

Sue

From: Bubel, Susan
Sent: Friday, October 21, 2016 9:28 AM
To: Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: CR 2785 responses/ updates

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- (b)(5)
-

Both of these items have been sent to Jon who requested more time and would like to discuss them with Brian Seigle.

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Please let me know if you have any additional comments or questions,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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Page 1897

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 1898

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Page 1899

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Page 1901

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Page 1902

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Page 1903

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 1904

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 13 Dec 2016 19:22:15 +0000
To: Jackson, Lateata;Battle, Cynthia
Cc: Chialastri, Taneka;Foss, Ian
Subject: RE: CR 2785 responses/ updates
Attachments: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx

Good Afternoon,

(b)(5)

(b)(5) Please take a look and let me know by noon tomorrow if you all are good. Then La Teata can you send out to the group?

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I wanted to get the responses we have to the servicers so I marked the questions in the Q&A with (Follow up) and the scenarios have red font where the response is still outstanding or may change based on response from PLI.

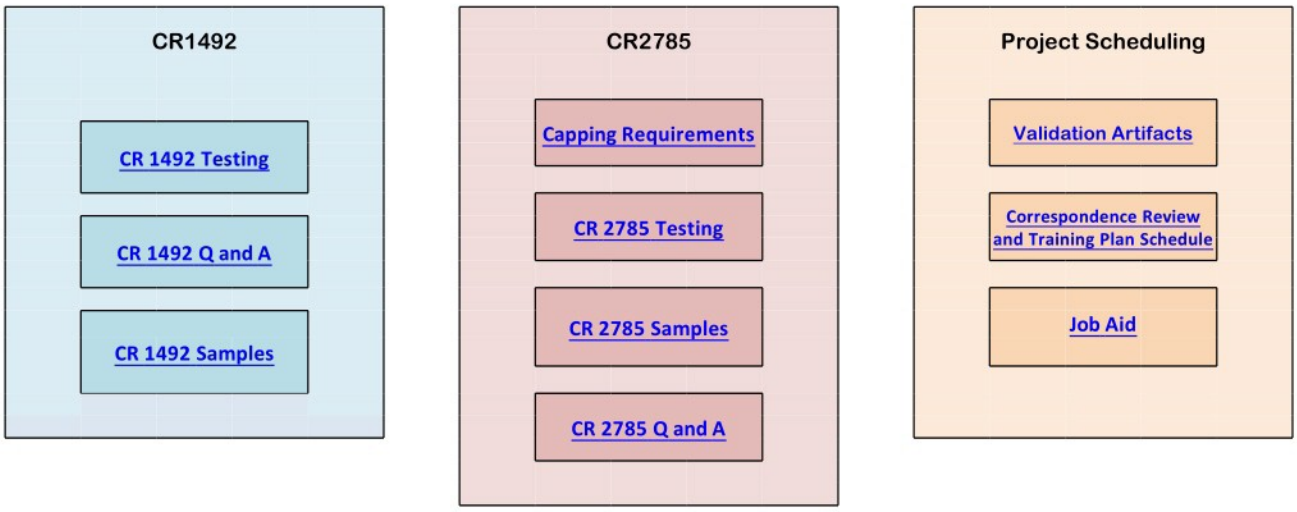
Please let me know if you have any additional comments or questions,

Sue

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830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov



Version Control		
Date:	Version	Description
02.08.16	V1.0	(b)(5)
03.09.16	V1.01	
03.10.16	V1.02	
03.21.16	V1.03	
04.06.16	V1.04	
08.22.16	V1.05	
08.23.16	V1.06	
08.26.16	V1.07	
10.12.16	V1.08	
10.20.16	V1.09	
12.13.16	V1.10	
9.22.15	V7.5	
9.22.15	V7.6	
9.23.15	V7.7	
9.24.15	V7.8	
9.25.15	V7.9	
9.28.15	V7.10	
9.29.15	V7.11	
9.30.15	V7.12	
09.30.15	V7.13	
10.01.15	V7.14	
10.05.15	V7.15	
10.07.15	V7.16	
10.07.15	V7.17	
10.09.15	V7.18	
10.09.15	V7.19	
10.13.15	V7.20	
10.15.15	V7.21	
10.20.15	V7.22	
10.20.15	V7.23	
10.22.15	V7.24	
10.22.15	V7.25	
10.27.15	V7.26	
10.28.15	V7.27	
11.05.15	V7.28	
11.05.15	V7.29	
11.09.15	V7.30	
11.12.15	V7.31	
11.13.15	V7.32	
11.18.15	V7.33	
11.19.15	V7.34	
11.19.15	V7.35	
12.16.15	V7.36	


CR1492
CR 1492 Testing
CR 1492 Q and A
CR 1492 Samples
CR2785
Capping Requirements
CR 2785 Testing
CR 2785 Samples
CR 2785 Q and A
Project Scheduling
Validation Artifacts
Correspondence Review and Training Plan Schedule
Job Aid

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5023.00 Clarified Existing Requirement	(b)(5)	
5023.01		
5023.02		
5023.03		
5023.04		
5065.00		
5065.01		
5065.02		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5066.00	(b)(5)	
5066.01		
5066.02		
5066.03		
5066.04		
5067.00		
5068.00		
5068.01		
5068.02		
5068.03		
5068.04		
5068.05		
5068.06		
5068.07		
5068.08		

HOME

Capitalization Requirements (CRs 1492 and 2785)

Requirement #	Requirement	Modifications
5068.09	(b)(5)	
5069.00		
5069.01		
18001.03		
5070		
5071		
5072		
5072.01		

HOME

Validation testing for 1492 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

HOME

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31	5023	(b)(5)		
2	Neg Am all year - doesn't reach cap, made payment 7/1 to 7/31	5023			
3	Neg Am all year - doesn't reach cap, no payment 7/1 to 7/31 - payment on 8/1 doesn't count	5023			
4	Not Neg Am first part of year, then neg am - caps, no payment 7/1 - 7/31	5023			
5	Neg Am first part of year - not on neg am last part of year - still caps, payment (7/1-7/31) reduces neg am int.	5023			
6	Borr on Neg Am doesn't cap while in forb	5023			
7	Borr on Neg Am doesn't cap while in defer	5023			

8	Neg Am all year - over cap at start of year	5023	(b)(5)
9	Neg Am all year - over cap during year	5023	
10	Neg Am all year - over cap during year - forb after	5023	
11	Neg Am part of year - unpaid accrued interest prior to ICR/Neg am	5023	
12	Neg Am with forb during year	5065	
13	Neg Am with Defer during year	5065	
14	IBR on PFH with defer	5066	
15	IBR on PFH with forb	5066	
16	IBR on PFH with defer	5066	
17	IBR on PFH with forb	5066	

18	G/E followed by a defer	5068
19	G/E followed by a forb	5068
20	G/E followed by a defer and forb	5068
21	G/E followed by a forb and defer	5068
22	Forb followed by defer	5069
23	Defer followed by forb	5069
24	Defer followed by defer	5069
25	Defer, payment, forb	5069
26	Forb payment defer	5069

(b)(5)

Validation testing for 2785 - Capitalization

"year" considered 7/1 to 6/30 for below scenarios

	Basic testing	Req	Condition	Expected Results	Artifacts Needed
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

HOME

(b)(5)

(b)(5)

Example #1 **Neg Am Capping**

HOME

(b)(5)

Example #2 **Deferment Capping**

(b)(5)

Example #3 **Non-capping Forbearance**

(b)(5)

Example #4 **Neg Am and Non-Capping**

(b)(5)

(b)(5)

Example #5 **Back to Back Entitlement**

(b)(5)

Example #6 **Deferment with Non-Capping Forbearance**

(b)(5)

Question #	Submitted By	Question	FSA Responses / Action		HOME	
1	Mohela	(b)(5)				
2	Mohela					
3	Mohela					
4	Mohela					
5	Mohela					
6	Mohela					
7	Mohela					
8	Mohela					
9	Mohela					
10	Mohela					

11	Great Lakes	(b)(5)			
12	Great Lakes				
13	FedLoan				
14	FedLoan				
15	FedLoan				

#	Servicer	Req.	Clarification Questions	FSA Response
1	MOHELA	Job Aid	(b)(5)	
2	Aspire	Job Aid		
3	Great Lakes	Job Aid P3		
4	Navient	Job Aid Example 3		
5	PHEAA	Job Aid Example 3		
6	Great Lakes	Job Aid P23 #9		
7	Great Lakes	General		
8	Aspire	Job Aid		
9	Nelnet	5023		
10	Nelnet	General		
11	Navient			
12	Nelnet	5066		
13	Great Lakes	5066.01		

			(b)(5)
14	Great Lakes	5066.01	
15	Nelnet	5072	
16	Great Lakes	5072.01	
17	Navient	General	
18	Navient	General	
19	PHEAA	Job Aid Example 8	
20	Great Lakes	Job Aid P20	
21	Aspire		
22	Nelnet	5065 (Job Aid Example 5)	
23	Aspire	General	
24	PHEAA	Implementation Plan	
25	Aspire	General	
26	Aspire	General	
27	Nelnet	Job Aid Example 4	
28	Navient	Job Aid Example 5	
29	Navient	Job Aid Example 7	
30	Great Lakes	Job Aid P7	
31	Nelnet	Job Aid P7	
32	PHEAA	Job Aid Question #15	

			(b)(5)
33	Aspire	5065	
34	Nelnet	5023.04 (Job Aid 1)	
35	PHEAA		
36	PHEAA		
37	PHEAA		
38	PHEAA		
39	PHEAA		
40	Navient	5065	
41	Navient		
42	Navient		
43	Nelnet	5023	
44	Aspire	5023	
45	Nelnet	5023.01	
46	Navient	5023.01	
47	Nelnet	5023.03	

48	Navient	Job Aid Example 1	(b)(5)
49	Navient	Job Aid Example 2	
50	Navient	Job Aid Example 8	
51	PHEAA	5023	
52	PHEAA	5023	
53	PHEAA	5023	
54	PHEAA	5023	
55	PHEAA	5023	

56	CornerStone	5023	(b)(5)
57	CornerStone	5023	
58	CornerStone	Job Aid Example 2	
59	Nelnet	Job Aid Example 5	
60	Nelnet	Job Aid Example 4	
61	Nelnet	Q & A 43	

62	Nelnet	Q & A 56	(b)(5)
63	Great Lakes	Job Aid p. 19	
64	Great Lakes	Job Aid p.10	
65	Nelnet		
66	Nelnet		
67	PHEAA		
68	PHEAA		

69	PHEAA		(b)(5)
70	Navient		
71	Navient		
72	Navient		
73	Nelnet	5066.02 (IBR) PAYE cap req not in CR2785	

74	Nelnet	5069 5066.02	(b)(5)
75	Nelnet	Job Aid 2/25/16 Ex #6, #7	
76	Nelnet	5065	
77	Nelnet	Job Aid 2/25/16 Ex #3	
78	Nelnet	Job Aid 2/25/16 Ex #1	
79	Nelnet	Job Aid 2/25/16 Ex #2	
80	Nelnet	Job Aid 2/25/16 Ex #3	
81	Nelnet	Job Aid 2/25/16 Ex #8 5072.01	

82	Navient	EA27 Change	(b)(5)
83	PHEAA		
84	Great Lakes		
85	Navient		

86	Nelnet		(b)(5)
87	Nelnet		
88	Nelnet		
89	Navient		
90	Great Lakes		

91	Great Lakes		(b)(5)
92	Great Lakes		
93	Great Lakes		
94	Great Lakes		
95	Great Lakes		

96	Great Lakes		(b)(5)
97	Great Lakes		
98	Great Lakes		
99	Great Lakes		
100	Great Lakes		

101	Great Lakes		(b)(5)
102	Great Lakes		
103	Great Lakes		

104	Great Lakes		(b)(5)
105	Great Lakes		
106	Great Lakes		
107	Great Lakes		
108	Navient		
109	Navient		
110	Navient		
111	Navient		
112	Navient		
113	Navient		

114	Navient		(b)(5)
115	Navient		
116	Navient		
117	Nelnet		
118	Nelnet		
119	Nelnet		
120	Nelnet		
121	Nelnet		
122	Nelnet	6	
123	Nelnet	6	
124	Nelnet	7	
125	Nelnet		
126	Nelnet		
127	Nelnet		
128	Nelnet		
129	Nelnet		
130	Nelnet		

131	Nelnet		(b)(5)
132	Nelnet		
133	Nelnet		
134	Nelnet		
135	Nelnet		
136	Nelnet		
137	Nelnet		
138	Nelnet		
139	Nelnet		
140	Navient		
141	Navient		
142	Great Lakes		
143	Navient		
144	Navient		

145	Navient		(b)(5)
146	Navient		
147	Navient		
148	Navient		
149	Navient		
150	Navient		
151	Navient		
152	Navient		
153	Navient		
154	Navient		
155	Navient		
156	Navient		

157	Navient		(b)(5)
158	Navient		
159	Navient		
160	Nelnet		
161	Nelnet		

162	Nelnet		(b)(5)
163	Nelnet		
164	Nelnet		

HOME

Capitalization Job Aid_102016

HOME

HOME

Capitalization Validation Scenarios

(CR 2785)

The goal of these validation scenarios is to ensure the changes prescribed in CR 2785 have been implemented successfully on the servicer's system.
There are 15 scenarios to complete. There will be aging required for these scenarios some scenarios will required 2 years of aging]
For each scenario you will receive instructions and any applicable forms, borrower requests, and/or payments.
The servicer will be provided an EA27 file with more than 15 borrowers to be loaded to their system. These borrowers will be used for the testing.
In addition to screen prints (both "back office " and "borrower view" of the various transactions and capping (or Non-Capping) events, the servicer should provide the correspondence generated for the scenario. The servicers will also provide the corresponding procedures and training materials.
The servicers will work with FSA to determine a deliverable schedule and schedule a walkthrough of the system/ screen shots at least one week prior to go live.

The scenarios:

The first ten of the fifteen scenarios are directly form the Capitalization Job Aid. The additional five are variations of the Capitalization Job Aid Scenarios.

#	Borrower	Scenario	Additional Notes
1		Neg Am Cap when changing out of ICR	(b)(5)
2		Neg Am interest/ capping when a deferment or forbearance is in effect	
3		Neg Am when Non-Capping Forbearance is in effect	
4		Neg Am when back to back Deferment and Non-Capping Forbearance is in effect	
5		Back to back deferment or forbearance.	
6		IBR with PFH and deferment capping	
7		IBR with PFH that ends during a deferment	
8		IBR with PFH and Neg Am Capping	
9		Neg Am and deferment or forbearance begins on 07/01	
10		Neg Am interest borrower changes to REPAYE	
11		Neg Am interest and borrower makes payments during July	
12		Back to Back deferment or forbearance	
13		Back to Back deferment or forbearance with payments made through out	
14		Back to back capping and non-capping events with payments made during.	
15		Outstanding interest prior to forbearance applied	

HOME

Neg Am Scenarios



Document

From: Bubel, Susan
Sent: 14 Dec 2016 19:27:44 +0000
To: Foss, Ian;Jackson, Lateata;Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

And just in case you folks didn't see , PHEAA has pushed their implementation to Late January so no walkthroughs next week YAY!!!!

From: Foss, Ian
Sent: Wednesday, December 14, 2016 1:12 PM
To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

Borrower can exit IBR whenever they want, so long as they have term remaining under standard. If the borrower wants to move into another plan after being placed on standard, that's when they make the reduced-payment forbearance payment or the standard payment. There's a comment bubble in the document about that (though towards the end).

From: Bubel, Susan
Sent: Wednesday, December 14, 2016 1:11 PM
To: Foss, Ian; Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

Just a quick clarification, I intentionally did not include IBR on the responses to 2-6 as a borrower would not be able to "exit " IBR during a deferment or forbearance as they could not make the expedited nor reduced payment forbearance payment. Are you proposing we include IBR because the borrower could potentially move from IB (IBR with PFH) to IL (IBR with no PFH) during a forbearance or deferment?

I just want to be sure I can respond if the servicers ask why we included IBR.

Thanks,

Sue

From: Foss, Ian
Sent: Wednesday, December 14, 2016 12:58 PM
To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

Just under the wire. ☺

From: Bubel, Susan
Sent: Wednesday, December 14, 2016 12:12 PM
To: Foss, Ian; Jackson, Lateata; Battle, Cynthia

Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

If not no worries, I can wait, just wanted to know if there were comment s☺ We can send out later this afternoon or tomorrow if necessary

---

From: Foss, Ian
Sent: Wednesday, December 14, 2016 12:11 PM
To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR 2785 responses/ updates

I have some comments on the scenarios and will try to get them to you by 1.

From: Bubel, Susan
Sent: Wednesday, December 14, 2016 11:47 AM
To: Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka; Foss, Ian
Subject: RE: CR 2785 responses/ updates

Any comments? If nothing by 1, La Teata please send to the project group.

BTW not sure if you have already, but remove VSAC folks and (b)(4); (b)(6) from Navient changed her name.

Thanks,

Sue

From: Bubel, Susan
Sent: Tuesday, December 13, 2016 2:22 PM
To: Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka; Foss, Ian
Subject: RE: CR 2785 responses/ updates

Good Afternoon,

(b)(5)

(b)(5) Please take a look and let me know by noon tomorrow if you all are good. Then La Teata can you send out to the group?

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Thanks,

Sue

From: Bubel, Susan
Sent: Friday, October 21, 2016 9:28 AM
To: Jackson, Lateata; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: CR 2785 responses/ updates

Good Morning Ladies,

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- (b)(5)
-

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Sue

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From: Bubel, Susan
Sent: 9 Feb 2016 16:38:24 +0000
To: Jackson, Lateata;Foss, Ian;Chialastri, Taneka;Battle, Cynthia
Subject: RE: CR 2785 workbook

Ok let's change REPAYE to bi-weekly and insert Capping on the alternate week on Thursday's at 1. I think we ALL have plenty of meetings without adding more ☺
Thanks,
Sue

From: Jackson, Lateata
Sent: Tuesday, February 09, 2016 11:35 AM
To: Foss, Ian; Bubel, Susan; Chialastri, Taneka; Battle, Cynthia
Subject: RE: CR 2785 workbook

I am open as well

From: Foss, Ian
Sent: Tuesday, February 09, 2016 11:13 AM
To: Bubel, Susan; Chialastri, Taneka; Battle, Cynthia; Jackson, Lateata
Subject: RE: CR 2785 workbook

I'm open to either.

From: Bubel, Susan
Sent: Tuesday, February 09, 2016 11:13 AM
To: Foss, Ian; Chialastri, Taneka; Battle, Cynthia; Jackson, Lateata
Subject: RE: CR 2785 workbook

Sure, how about 2 on Thursdays after the REPAYE call or make REPAYE every other week and Capping the other week and have both at 1?
Thoughts?
THanks,
Sue

From: Foss, Ian
Sent: Tuesday, February 09, 2016 11:11 AM
To: Bubel, Susan; Chialastri, Taneka; Battle, Cynthia; Jackson, Lateata
Subject: RE: CR 2785 workbook

I'm supposed to be in the GA rehabilitation meeting at Wednesday at 1 and then in a COD meeting after that.
Is there time for this to be on Thursday?

From: Bubel, Susan
Sent: Tuesday, February 09, 2016 11:09 AM
To: Chialastri, Taneka; Battle, Cynthia; Jackson, Lateata; Foss, Ian
Subject: RE: CR 2785 workbook

Great idea, not sure yet, just submitted a request, but hoping by the end of the month.
Thanks,
Sue

From: Chialastri, Taneka
Sent: Tuesday, February 09, 2016 11:08 AM
To: Bubel, Susan; Battle, Cynthia; Jackson, Lateata; Foss, Ian
Subject: RE: CR 2785 workbook

Hi Sue,
The workbook looks great.
Wednesdays work for me. We may want to add "Stats" as a subject for the generic mailbox. Do we know when the mailbox will be set-up?

Taneka

From: Bubel, Susan
Sent: Tuesday, February 09, 2016 10:37 AM
To: Battle, Cynthia; Jackson, Lateata; Foss, Ian; Chialastri, Taneka
Subject: CR 2785 workbook

Good morning all,

I have modified the Capping Workbook to be similar to the REPAYE one. Can you folks take a look and let me know any comments, questions, suggestions you have. I am working on updating the Job aid with the additional scenarios we discussed the last time we met on this.

I have EA27s from Frank so next week I will begin getting the testing scenarios validation requests together and should have those for the servicers by the end of February first week of March.

I am hoping we will have a new Program Management email box set up to facilitate ongoing Q&A's from the servicers. I would hope it will be a generic box, so we could have the servicers indicate their servicer name and CR2785 prior to the "Subject" on the subject line.

Servicers:

Great Lakes (GL) **Subjects:**
PHEAA (PH) Question (Q& A)
Navient (NV) Training Materials (Training)
Nelnet (NN) Validation Artifact (Val Art)
CornerStone (CS) Correspondence (Cor)
EdFinancial (EF) Schedule (Schd)
Granite State (GS)
MOHELA (MO)
OSLA (OS)
VSAC (VS)

What do you folks think about meeting bi-weekly on Wednesdays, say 1:00? We have a Program Management meeting next Wednesday (02/17)so let's start 02/24/16.

Again any thoughts, comments, questions suggestions on this send them my way.

Thanks for your help on this.

Sue

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From: Bubel, Susan
Sent: 12 Jan 2017 19:31:50 +0000
To: (b)(4); (b)(6) Jackson, Lateata
Cc: (b)(4); (b)(6) Battle, Cynthia;Foss, Ian;Chialastri, Taneka;DLCapitalization
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016
Attachments: Additional Navient Questions Dec 2016.docx

Good Afternoon (b)(4); (b)(6)

Here are the responses to the 12/06 questions you folks had. I will add them to the Q&A log but wanted to be sure your received the response before your leave.

Thanks,

Sue

From: (b)(4); (b)(6) [mailto:(b)(6) navient.com]
Sent: Tuesday, January 10, 2017 3:53 PM
To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6) Battle, Cynthia; Foss, Ian; Chialastri, Taneka; DLCapitalization
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Thank you for the reply Sue. Just 2 items:

1) I think the only other questions we are waiting on the items we submitted on 12/6. We have not yet received a response to those.
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Please let me know if you have any other questions.

Thanks,

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Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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Sent: Monday, January 09, 2017 8:24 PM
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(b)(4); (b)(6)
Navient
Project Manager

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Battle, Cynthia <Cynthia.Battle@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>
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Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Thanks for the heads up. I will go look for your questions and work on responses.

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I think through the updated word document, I'll be able to get the answers to the question I submitted for R: 5066, but the others are still outstanding.

Please let me know if you need any further information.

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Cc: Battle, Cynthia <Cynthia.Battle@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Chialastri, Taneka

<Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>
Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point is in (b)(5) We are working to get a response to that and will send out another update once we have it.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269



Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

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The additional below items are requested clarification on previously answered QA items that we believe our outside of the current PLI feedback request.

(b)(5)


(b)(5)

(b)(5)

From: (b)(4); (b)(6)
Sent: 12 Jan 2017 17:15:53 +0000
To: Bubel, Susan;Jackson, Lateata
Cc: (b)(4); (b)(6) Battle, Cynthia;Foss, Ian;Chialastri, Taneka;DLCapitalization;(b)(4); (b)(6)
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Good Afternoon!

I just wanted to send a reminder that today is my last day prior to (b)(6)

I am asking that for all future 2785 QA document updates that you please add (b)(4); (b)(6) and (b)(4); (b)(6) to the email distribution as they will be taking this effort to completion for me. Also, if you have specific questions for Navient or communication regarding our artifacts or validation review, if you could include them it would be much appreciated.

I wish you all luck in the final weeks of this effort!

Karen (b)(4); (b)(6) @navient.com
Katrina (b)(4); (b)(6) @navient.com

Thank you,
(b)(4); (b)(6)
Navient
IT Project Manager

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(b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6)
(b)(4); (b)(6) @nelnet.net>; EdFinancial CM Email <EdfinancialFSAChangeReq@edfinancial.com>;
(b)(4); (b)(6) @edfinancial.com>; (b)(4); (b)(6) @edfinancial.com>; @gsmr.org; (b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

@gsmr.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; OSLA CM Email <OSLA-CR@osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) (b)(4); (b)(6) @pheaa.org>; (b)(4); (b)(6) @pheaa.org>; PHEAACRs (PHEAACRs@pheaa.org) <PHEAACRs@pheaa.org>; (b)(4); (b)(6) @mohela.com>; (b)(4); (b)(6) @utahsbr.edu>; CornerStone CM Box <CSChangeControl@mycornerstoneloan.org>; (b)(4); (b)(6) (b)(4); (b)(6) @mycornerstoneloan.org>

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Federal Student Aid

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Saint Francis de Sales C.O.

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From: Foss, Ian
Sent: 10 Jan 2017 16:54:02 +0000
To: Bubel, Susan;Battle, Cynthia;Chialastri, Taneka;DLCapitalization
Subject: Re: CR 2785 Workbook Updates as of 12/14/2016

If they all say they can accommodate that approach, no concerns from me.

From: Bubel, Susan
Sent: Tuesday, January 10, 2017 9:54:55 AM
To: Foss, Ian; Battle, Cynthia; Chialastri, Taneka; DLCapitalization
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

(b)(5)

Any concerns??

From: Foss, Ian
Sent: Tuesday, January 10, 2017 9:49 AM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; DLCapitalization
Subject: Re: CR 2785 Workbook Updates as of 12/14/2016

(b)(5)

From: Bubel, Susan
Sent: Tuesday, January 10, 2017 8:21:59 AM
To: Battle, Cynthia; Foss, Ian; Chialastri, Taneka; DLCapitalization
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Good Morning all,

(b)(5)

Any thoughts comments or recollections?

ARGH…

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Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

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I just sent a follow-up email to the DL Capitalization email box; however, thought I would follow up directly as well. On 12/6, Navient submitted additional questions via the DL Cap email box; however, I do not see these questions represented on the QA log.

I think through the updated word document, I'll be able to get the answers to the question I submitted for R: 5066, but the others are still outstanding.

Please let me know if you need any further information.

Thank you
(b)(4); (b)(6)

(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, December 14, 2016 2:08 PM
To: (b)(4); (b)(6) @glhec.org>; @glhec (b)(4); (b)(6) @glhec.org>; (b)(4); (b)(6) @glhec.org>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) @nelnet.net>; EdFinancial CM Email <EdfinancialFSAChangeReq@edfinancial.com>; (b)(4); (b)(6) @edfinancial.com>; (b)(4); (b)(6) @edfinancial.com>; @gsmr.org; (b)(4); (b)(6) (b)(4); (b)(6) @gsmr.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org> (b)(4); (b)(6) (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; OSLA CM Email <OSLA-CR@osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) (b)(4); (b)(6) @pheaa.org>; (b)(4); (b)(6) @pheaa.org>; PHEAACRs (PHEAACRs@pheaa.org) <PHEAACRs@pheaa.org>; (b)(4); (b)(6) @mohela.com>; (b)(4); (b)(6) @utahsbr.edu>; CornerStone CM Box <CSChangeControl@mycornerstoneloan.org>; (b)(4); (b)(6) (b)(4); (b)(6) @mycornerstoneloan.org>
Cc: Battle, Cynthia <Cynthia.Battle@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>
Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point is in (b)(5). We are working to get a response to that and will send out another update once we have it.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

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From: Bubel, Susan
Sent: 15 Dec 2016 16:38:36 +0000
To: Foss, Ian
Cc: Battle, Cynthia;Chialastri, Taneka
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

ARGH.. why did they not reference this when they all brought up the question ☹ We can have them cap at the end of the deferment or Forb and effective date it back, which in essence is the same thing..

Lets further discuss on Monday.

Thanks,

Sue

From: (b)(4); (b)(6) mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, December 15, 2016 11:30 AM
To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6) Foss, Ian; Battle, Cynthia; Chialastri, Taneka
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Thanks Sue,
I also wanted to just point out that the update from PLI is different from the requirement as written in the CR, not sure if that should be updated. The CR 1492 requirements are:

5066.02	FSA CR 1492 Requirement	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.04	FSA CR 1492 Requirement	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.

Will this be updated to say that the unpaid interest will be capitalized during the deferment or forbearance or will 5066.04 be struck?

Thank you
(b)(4); (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Thursday, December 15, 2016 10:34 AM
To: (b)(4); (b)(6) @navient.com>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

That is a correct interpretation.

Thanks,

Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, December 15, 2016 10:28 AM
To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6) Foss, Ian; Battle, Cynthia; Chialastri, Taneka
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Sue,
It doesn't really clarify; we originally had QA 110 that specifically calls out that IBR /PAYE PFH loss during a Def or Forbearance would wait to cap until after the Def and Forb. We also followed this up with QA 152, where I indicated it would be a change to our in-flight coding but the response there calls out RePAYE as what we are pending further discussion about. Based on that clarification, we were not anticipating a change to the response from QA 110 on IBR/PAYE PFH capping rules.

Nonetheless and in order to move forward, am I interpreting the updated response correctly; that regardless of reason, exiting the IDR plan or losing PFH (failing to recertify or not qualifying) that the interest should capitalize immediately even during entitlement periods?

Thank you
(b)(4); (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Thursday, December 15, 2016 10:13 AM
To: (b)(4); (b)(6) @navient.com>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

(b)(4); (b)(6)

Actually I don't think it was a change in direction, more a follow up with PLI to validate the approach after discussing the capping at exit during a deferment or forbearance.

I hope this clarifies,

Thanks,

Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, December 15, 2016 9:45 AM

To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016
Importance: High

Thanks Sue – and I was just digging in to the Word document a little more. Am I interpreting the updated responses correctly in that there is a change in direction on when to CAP interest if the borrower fails to renew their PFH period.

Previously – the response was if the borrower exits that we cap the day after they leave the plan; however, if they failed to renew, that the cap would be delayed to the end of the Def or Forb status.

New – the response seems to indicate that regardless of reason (exit or failure to renew) that the interest should cap the day after the plan exit.

This is a variance from the coding we have begun testing for our in-flight February project; if you could let me know ASAP, I will need to evaluate the impact.

Thank you
(b)(4); (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Thursday, December 15, 2016 8:11 AM
To: (b)(4); (b)(6) @navient.com>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Thanks for the heads up. I will go look for your questions and work on responses.

Thanks,

Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, December 15, 2016 8:10 AM
To: Jackson, Lateata
Cc: Bubel, Susan
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Morning Lateata / Sue,
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I think through the updated word document, I'll be able to get the answers to the question I submitted for R: 5066, but the others are still outstanding.

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Thank you
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From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, December 14, 2016 2:08 PM
To: (b)(4); (b)(6) @glhec.org>; @glhec <@glhec.org>; (b)(4); (b)(6)
(b)(4); (b)(6) @glhec.org>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6)
(b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6)
(b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6)
(b)(4); (b)(6) @nelnet.net>; EdFinancial CM Email <EdfinancialFSAChangeReq@edfinancial.com>;
(b)(4); (b)(6) @edfinancial.com>; (b)(4); (b)(6) @edfinancial.com>; @gsmr.org; (b)(4); (b)(6)
(b)(4); (b)(6) @gsmr.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6)
(b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>;
OSLA CM Email <OSLA-CR@osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6)
(b)(4); (b)(6) @pheaa.org>; (b)(4); (b)(6) @pheaa.org>; PHEAACRs (PHEAACRs@pheaa.org)
<PHEAACRs@pheaa.org>; (b)(4); (b)(6) @mohela.com>; (b)(4); (b)(6)
@utahsbr.edu>; CornerStone CM Box <CSChangeControl@mycornerstoneloan.org>; (b)(4); (b)(6)
(b)(4); (b)(6) @mycornerstoneloan.org>
Cc: Battle, Cynthia <Cynthia.Battle@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>
Subject: CR 2785 Workbook Updates as of 12/14/2016

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From: (b)(4); (b)(6)
Sent: 12 Jan 2017 19:43:01 +0000
To: Bubel, Susan;Jackson, Lateata
Cc: (b)(4); (b)(6) Battle, Cynthia;Foss, Ian;Chialastri, Taneka;DLCapitalization
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Thank you Sue

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Thursday, January 12, 2017 2:32 PM
To: (b)(4); (b)(6) @navient.com>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; DLCapitalization <DLCapitalization@ed.gov>
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Good Afternoon (b)(4); (b)(6)

Here are the responses to the 12/06 questions you folks had. I will add them to the Q&A log but wanted to be sure your received the response before your leave.

Thanks,

Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Tuesday, January 10, 2017 3:53 PM
To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6) Battle, Cynthia; Foss, Ian; Chialastri, Taneka; DLCapitalization
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Thank you for the reply Sue. Just 2 items:

1) I think the only other questions we are waiting on the items we submitted on 12/6. We have not yet received a response to those.
2) The RePAYE clarification is specific that if the borrower voluntarily leaves RePAYE prior to the 6/30 capping event, the interest is to be included in the exit cap and not remain segregated for the future Neg AM cap. Which is different than if a borrower is in Graduated and has a forbearance end prior to the 6/30 cap, at that time, the Neg AM would still remain Neg AM and cap 6/30 and not be included in the Forbearance capping event.

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Tuesday, January 10, 2017 3:47 PM
To: (b)(4); (b)(6) @navient.com>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Chialastri, Taneka

<Taneka.Chialastri@ed.gov>; DLCapitalization <DLCapitalization@ed.gov>
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Good Afternoon (b)(4); (b)(6)

In regards to Neg Am and REPAYE, you are correct, that if a borrower moved from ICR Neg Am or Alt Neg Am to REPAYE that the Neg Am will remaining Neg Am until either paid or capped at the annual event (06/30), but it also will be included as part of the "Exit IDR" Cap if the borrower either voluntarily or involuntarily leaves REPAYE . Similar to IBR and PAYE with the exiting cap. That is why it was included in the email form La Teata.

For your other question, that is fine if when a borrower moves to IBR or PAYE the Neg Am interest remains in its bucket until it is either paid or the borrower loses PFH or leaves the plan.

Please let me know if you have any other questions.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@navient.com]
Sent: Monday, January 09, 2017 8:24 PM
To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6) Battle, Cynthia; Foss, Ian; Chialastri, Taneka; DLCapitalization
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Evening Sue ,
Now that FSA has issued the guidance that we will not be pursuing the new methodology for Neg AM; can you provide an update on when the additional Navient questions (referenced below) will be updated and the QA redistributed?

Also, I noticed in Lateata's update that she indicated that in cases of IBR, PAYE and RePAYE that the Neg AM portion can be included in the exiting capping event. This seems contradictory to the response offered in QA 75 and 160; where it seems to state that RePAYE is not treated like IBR/PAYE and that the Neg AM would remain as Neg AM and cap effective 6/30.

One final confirmation (I hope); when a loan does transition to IBR or PAYE, is it appropriate for the interest to remain in the Neg AM accrued bucket until it is paid down or must it be included in the next capable event?

Thank you
(b)(4); (b)(6)
Navient
Project Manager

From: (b)(4); (b)(6)
Sent: Wednesday, December 28, 2016 7:58 AM
To: Bubel, Susan <Susan.Bubel@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Thank you!

I hope you had a nice holiday as well, and Happy New Year if we don't speak before then!

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Wednesday, December 28, 2016 7:56 AM
To: (b)(4); (b)(6) @navient.com>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; Battle, Cynthia <Cynthia.Battle@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Good Morning (b)(4); (b)(6)

I hope you had a nice holiday. We did look at your questions which is what prompted the email / guidance proposed last week. Once we get feedback from the other servicers we will provide responses to your questions. They will be added to the CR2785 Q&A.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov



From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Wednesday, December 28, 2016 6:06 AM

To: Bubel, Susan; Jackson, Lateata
Cc: (b)(4); (b)(6)
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Morning Sue,
I was just following up to see if there was an update on the questions Navient submitted in early December?
Thank you
(b)(4); (b)(6)

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Thursday, December 15, 2016 8:11 AM
To: (b)(4); (b)(6) @navient.com>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

Thanks for the heads up. I will go look for your questions and work on responses.

Thanks,

Sue

From: (b)(4); (b)(6) mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, December 15, 2016 8:10 AM
To: Jackson, Lateata
Cc: Bubel, Susan
Subject: RE: CR 2785 Workbook Updates as of 12/14/2016

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From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, December 14, 2016 2:08 PM
To: (b)(4); (b)(6) @glhec.org>; @glhec <@glhec.org>; (b)(4); (b)(6)
(b)(4); (b)(6) @glhec.org>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6)
(b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6)
(b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6)
(b)(4); (b)(6) @nelnet.net>; EdFinancial CM Email <EdfinancialFSAChangeReq@edfinancial.com>;
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(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6) @gsmr.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @osla.org>; OSLA CM Email <OSLA-CR@osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) (b)(4); (b)(6) @pheaa.org>; (b)(4); (b)(6) @pheaa.org>; PHEAACRs (PHEAACRs@pheaa.org) <PHEAACRs@pheaa.org>; (b)(4); (b)(6) @mohela.com>; (b)(4); (b)(6) @utahsbr.edu>; CornerStone CM Box <CSChangeControl@mycornerstoneloan.org>; (b)(4); (b)(6) (b)(4); (b)(6) @mycornerstoneloan.org>

Cc: Battle, Cynthia <Cynthia.Battle@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>

Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point is in (b)(5) We are working to get a response to that and will send out another update once we have it.

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From: Jackson, Lateata
Sent: 9 Feb 2016 17:46:54 +0000
To: Bubel, Susan;Battle, Cynthia;Foss, Ian;Chialastri, Taneka
Subject: RE: CR 2785 workbook

Got it. I will send the appropriate invites.

From: Bubel, Susan
Sent: Tuesday, February 09, 2016 12:14 PM
To: Jackson, Lateata; Battle, Cynthia; Foss, Ian; Chialastri, Taneka
Subject: RE: CR 2785 workbook

CR 2785 meetings starting Thursday 02/25 @1 every other week and changing the REPAYE meetings to every other Thursday @ 1 starting 02/18.
No meetings on Wednesdays. Both will be on Thursdays @ 1
Thanks,
Sue

From: Jackson, Lateata
Sent: Tuesday, February 09, 2016 12:12 PM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Chialastri, Taneka
Subject: RE: CR 2785 workbook

Ok, To be sure, are we:

- Having CR2785 meetings starting 2/24 on Wednesday's at 1pm. Weekly or bi-weekly?
- Moving the Thursday 1p meeting for CR 3245 to bi-weekly?

Please let me know if I have this right or not.

From: Bubel, Susan
Sent: Tuesday, February 09, 2016 11:47 AM
To: Battle, Cynthia; Foss, Ian; Chialastri, Taneka; Jackson, Lateata
Subject: RE: CR 2785 workbook

We will go with that plan, every other Thursday @ 1 starting next week 02/18/16 for the Capping meeting.
La Teata can you adjust the REPAYE meeting and add the Capping meeting? I am not sure of the attendees for the Capping meeting. I don't imagine they are the same at all of the servicers.
Thanks,
Sue

From: Battle, Cynthia
Sent: Tuesday, February 09, 2016 11:42 AM
To: Bubel, Susan; Foss, Ian; Chialastri, Taneka; Jackson, Lateata
Subject: RE: CR 2785 workbook

Either works for me too. But, I kinda like the 1:00 plan (and every other)

From: Bubel, Susan
Sent: Tuesday, February 09, 2016 11:13 AM
To: Foss, Ian; Chialastri, Taneka; Battle, Cynthia; Jackson, Lateata
Subject: RE: CR 2785 workbook

Sure, how about 2 on Thursdays after the REPAYE call or make REPAYE every other week and Capping the other week and have both at 1?
Thoughts?
THanks,
Sue

From: Foss, Ian
Sent: Tuesday, February 09, 2016 11:11 AM

To: Bubel, Susan; Chialastri, Taneka; Battle, Cynthia; Jackson, Lateata
Subject: RE: CR 2785 workbook

I'm supposed to be in the GA rehabilitation meeting at Wednesday at 1 and then in a COD meeting after that.

Is there time for this to be on Thursday?

From: Bubel, Susan
Sent: Tuesday, February 09, 2016 11:09 AM
To: Chialastri, Taneka; Battle, Cynthia; Jackson, Lateata; Foss, Ian
Subject: RE: CR 2785 workbook

Great idea, not sure yet, just submitted a request, but hoping by the end of the month.

Thanks,

Sue

From: Chialastri, Taneka
Sent: Tuesday, February 09, 2016 11:08 AM
To: Bubel, Susan; Battle, Cynthia; Jackson, Lateata; Foss, Ian
Subject: RE: CR 2785 workbook

Hi Sue,

The workbook looks great.

Wednesdays work for me. We may want to add "Stats" as a subject for the generic mailbox. Do we know when the mailbox will be set-up?

Taneka

From: Bubel, Susan
Sent: Tuesday, February 09, 2016 10:37 AM
To: Battle, Cynthia; Jackson, Lateata; Foss, Ian; Chialastri, Taneka
Subject: CR 2785 workbook

Good morning all,

I have modified the Capping Workbook to be similar to the REPAYE one. Can you folks take a look and let me know any comments, questions, suggestions you have. I am working on updating the Job aid with the additional scenarios we discussed the last time we met on this.

I have EA27s from Frank so next week I will begin getting the testing scenarios validation requests together and should have those for the servicers by the end of February first week of March.

I am hoping we will have a new Program Management email box set up to facilitate ongoing Q&A's from the servicers. I would hope it will be a generic box, so we could have the servicers indicate their servicer name and CR2785 prior to the "Subject" on the subject line.

Servicers:

Great Lakes (GL) **Subjects:**
PHEAA (PH) Question (Q& A)
Navient (NV) Training Materials (Training)
Nelnet (NN) Validation Artifact (Val Art)
CornerStone (CS) Correspondence (Cor)
EdFinancial (EF) Schedule (Schd)
Granite State (GS)
MOHELA (MO)
OSLA (OS)
VSAC (VS)

What do you folks think about meeting bi-weekly on Wednesdays, say 1:00? We have a Program Management meeting next Wednesday (02/17)so let's start 02/24/16.

Again any thoughts, comments, questions suggestions on this send them my way.

Thanks for your help on this.

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov



From: Foss, Ian
Sent: 5 Dec 2016 20:21:10 +0000
To: Bubel, Susan
Subject: RE: CR 2785

Thanks!

From: Bubel, Susan
Sent: Monday, December 05, 2016 3:20 PM
To: Foss, Ian
Subject: RE: CR 2785

Sure. I'll send you the info as soon as I get it .

From: Foss, Ian
Sent: Monday, December 5, 2016 3:20 PM
To: Bubel, Susan
Subject: RE: CR 2785

Could I participate in PHEAA's? Just to get a feel for it.

From: Bubel, Susan
Sent: Monday, December 05, 2016 2:37 PM
To: Chialastri, Taneka; Foss, Ian
Subject: FW: CR 2785

FYI if you guys want to see the artifacts or participate in the walkthroughs just let me know.

CR 2785 Phase 2 for Servicers

Servicer	Implementation Date	Artifact Delivery Date	FSA Walkthru
Great Lakes	3/3/2017	2/20/2017	2/24/2017 - 1pm est
Navient	2/18/2017	2/1/2017	2/6/2017 - 1pm est
Nelnet	We are going to fully implement CR2785 in conjunction with CR3835. We are waiting for approval on our assessment and then ATO. The implementation date will be based off of when we receive ATO. Upon ATO we can determine when we will be providing the validation artifacts and implementing both CR's.		
EdFinancial			
Granite State			
OSLA			
PHEAA	12/29/2016	12/14/2016	12/19/2016 - 1pm est
MOHELA	12/29/2016	12/15/2016	12/20/2016 - 1pm est
CornerStone	12/29/2016	12/15/2016	12/21/2016 - 1pm est

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Change Management Division
Federal Student Aid
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Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: Wednesday, November 30, 2016 2:48 PM
To: Jackson, Lateata
Cc: Battle, Cynthia
Subject: RE: CR 2785

We would like to see a few items, similar to REPAYE. IF they have a borrower with a "back to back" scenario and show us before the capping, then age the system and see the capping event.

- Show us a retro processing scenario where a deferment or forbearance is applied with a prior start date and causes a back to back scenario, how that works
- A back to back scenario with a non-capping forbearance as part of it.(they could make this and the one before the same)

- Applying a deferment or capping forbearance after a non-capping forbearance has been applied in the past and not capped, and continues not to cap.

- Finally as we did for REPAYE the CSR view of interest/ capping buckets and how they know how to counsel , the borrower view, what the borrower sees, and go over their interest capping disclosures for the events we discuss.

For the scenarios we would want to see the interest buckets and principal balances all prior to the capping events so we can see what happens and where the money goes.

Thanks,

Sue

From: Jackson, Lateata
Sent: Wednesday, November 30, 2016 2:33 PM
To: Bubel, Susan
Cc: Battle, Cynthia
Subject: RE: CR 2785

Are we just going through the validation scenarios or do you need to see anything additional?

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Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: 23 May 2017 20:03:18 +0000
To: (b)(4); (b)(6) ;Jackson, Lateata
Cc: Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Washington, Patrice;Smith, Lynn;Pilant, Nicholas;Brown, Lenny;Ratchford, Sabrina;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina;Roberts, Sherika;(b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR2785/3835 - Clarification Questions

(b)(4); (b)(6)

See response below:

From: (b)(4); (b)(6) [mailto: @gsmr.org]
Sent: Tuesday, May 23, 2017 3:57 PM
To: Jackson, Lateata
Cc: Bubel, Susan; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Washington, Patrice; Smith, Lynn; Pilant, Nicholas; Brown, Lenny; Ratchford, Sabrina; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina; Roberts, Sherika; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR2785/3835 - Clarification Questions

Good afternoon La Teata,

Do you have an update on our clarification question below?

Thank you,

(b)(4); (b)(6)
Business Systems Analyst II
Granite State Management & Resources
The NHHEAF Network Organizations
3 Barrell Court
Concord, NH 03301
T. (b)(6)
F.
(b)(4); (b)(6) @gsmr.org
www.gsmr.org

From: (b)(4); (b)(6)
Sent: Monday, May 01, 2017 2:30 PM
To: lateata.jackson@ed.gov
Cc: Bubel, Susan; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; DOE - Lisa Oldre; Walsh, Mark; Washington, Patrice; Smith, Lynn; Pilant, Nicholas; Brown, Lenny; Ratchford, (b)(4); Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina; Roberts, Sherika (Sherika.Roberts@ed.gov); (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR2785/3835 - Clarification Questions

Good afternoon La Teata,

In reference to questions 95, 145, 158, 159, and 160, they appear to relate to borrowers who have reached the 10% Neg Am cap.

(b)(5)

We want to ensure that we are understanding the capping rules around Neg Am interest and appreciate your help.

Thank you,

(b)(4); (b)(6)

ERM[P]
Business Process Manager
Granite State Management & Resources
The NHHEAF Network Organizations
4 Barrell Court
Concord, NH 03301
T. (b)(6)
F.

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From: (b)(4); (b)(6)
Sent: 6 Jul 2017 18:48:34 +0000
To: Jackson, Lateata;CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Tessitore, Lisa;Walsh, Mark;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: Ratchford, Sabrina;Roberts, Sherika;Buendia, Mario;Samuels, Shaun;Bubel, Susan;Battle, Cynthia;Chialastri, Taneka; (b)(4); (b)(6) (b)(4); (b)(6) Bubel, Susan;J (b)(4); (b)(6)
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans
Attachments: CR 2785-3835-Letter 1090-Incme Drvn Repy Ann Ntc_GS.zip

Good afternoon Le Teata,

Please find the updated Letter – E15A 1090 attached. The names of the parameters on our system have not been changed with this update. The letter has been updated to reflect the data that will be pulled into the body of the letter based on the parameter. The standard password has been used to secure the zip file.

Please let me know if you have any other questions.

Thank you,
(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, July 06, 2017 12:23 PM
To: (b)(4); (b)(6); CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; DOE - Lisa Oldre; Walsh, Mark; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; (b)(4); (b)(6) Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

This is great news. Please provide us a copy of the revised latter for FSA review

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Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @gsmr.org]
Sent: Thursday, July 06, 2017 11:23 AM
To: Jackson, Lateata; CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Oldre, Lisa; Walsh, Mark; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

Good morning La Teata,

Granite State has reviewed the Letter – E15A 1090 provided as part of our artifacts for CR2785/3835.

(b)(5)

Please let me know if you have any other questions.

Thank you,
(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Friday, June 30, 2017 6:51 AM
To: (b)(4); (b)(6); CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; DOE - Lisa Oldre; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; (b)(4); (b)(6)
(b)(4); (b)(6) Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: RE: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

FSA has the following comment on Granite States artifacts:

Granite State:

(b)(5)

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Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto:(b)(4); @gsmr.org]
Sent: Wednesday, May 24, 2017 3:38 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Cc: Ratchford, Sabrina; Roberts, Sherika; Buendia, Mario; Samuels, Shaun; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: CR2785/3835 GS 1 of 1 - 2785-Requirement Clarification for CR 1492 & 3835-Companion CR for 2785_ Nelnet Platform: PFH loans

Good afternoon,

Please find the validation artifacts for CR 2785 and 3835 attached. The validation scenarios 1-15 were submitted to you on our behalf by our hosted system provider, however if you prefer that we submit them to complete the artifact package for Granite State please let us know. The standard password has been used to secure the zip file.

Included in this submission:

- CR 2785-3835-Interest Capitalization Counseling Procedure_GS
- CR 2785-3835-Loan Processing Capitalization Procedure_GS
- CR 2785-3835-Correspondence Crosswalk_GS
- Correspondence: 13 Letter Samples

Thank you,

(b)(4); (b)(6)

(b)(4); (b)(6)
Business Systems Analyst II
Granite State Management & Resources
The NHHEAF Network Organizations
3 Barrell Court
Concord, NH 03301
(b)(6)
(b)(4); (b)(6) gsmr.org
www.gsmr.org

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From: Foss, Ian
Sent: 10 Feb 2017 14:58:36 +0000
To: Bubel, Susan;Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR2785 Correspondence (PHEAA)
Attachments: Scenario 1 - FS06BNEGAM_20170210_Foss.pdf

Just a few additional comments from me on one of the notices.

From: Bubel, Susan
Sent: Thursday, February 09, 2017 2:07 PM
To: Foss, Ian; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: FW: CR2785 Correspondence (PHEAA)

THANKS TANEAKA!!!!!!!!

Taneka helped by reviewing the letters and here are her comments, I will share these with PHEAA tomorrow also, unless you all have any additional comments questions.

Thanks,

Sue

From: Chialastri, Taneka
Sent: Thursday, February 9, 2017 2:01 PM
To: Bubel, Susan
Subject: RE: CR2785 Correspondence (PHEAA)

Hey Sue,

The comments for the interest statement can be used for all the letters. Most of the comments on the rest of the letters are minor.

Thanks,

Taneka

From: Bubel, Susan
Sent: Tuesday, February 7, 2017 3:17 PM
To: Chialastri, Taneka
Subject: CR2785 Correspondence (PHEAA)

Thanks, There are a lot of letters, but I think a lot are the same letter. What ever you can get done by Friday would be awesome.

Password to follow.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov



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(b)(4) ; (b)(6)

of the Freedom of Information and Privacy Act

Page 1995

Withheld pursuant to exemption

(b)(4) ; (b)(6)

of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 10 Feb 2017 19:57:28 +0000
To: Foss, Ian;Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR2785 Correspondence (PHEAA)

Thanks for the additional comments. I think I captured them all, please fix or tell me what I messed up. I also re-wrote the letter based on the comments.

#	Letter Name	Text	Comment	PHEAA Response
1	(b)(5)			
2				
3				
4				

(b)(5)

Annual Notice(Loan Interest Statement) recommended re-written:

(b)(5)

From: Foss, Ian
Sent: Friday, February 10, 2017 9:59 AM
To: Bubel, Susan; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: RE: CR2785 Correspondence (PHEAA)

Just a few additional comments from me on one of the notices.

From: Bubel, Susan
Sent: Thursday, February 09, 2017 2:07 PM
To: Foss, Ian; Battle, Cynthia
Cc: Chialastri, Taneka
Subject: FW: CR2785 Correspondence (PHEAA)

THANKS TANEAKA!!!!!!!!

Taneka helped by reviewing the letters and here are her comments, I will share these with PHEAA tomorrow also, unless you all have any additional comments questions.

Thanks,

Sue

From: Chialastri, Taneka
Sent: Thursday, February 9, 2017 2:01 PM
To: Bubel, Susan
Subject: RE: CR2785 Correspondence (PHEAA)

Hey Sue,

The comments for the interest statement can be used for all the letters. Most of the comments on the rest of the letters are minor.

Thanks,

Taneka

From: Bubel, Susan
Sent: Tuesday, February 7, 2017 3:17 PM
To: Chialastri, Taneka
Subject: CR2785 Correspondence (PHEAA)

Thanks, There are a lot of letters, but I think a lot are the same letter. What ever you can get done by Friday would be awesome.

Password to follow.

Thanks,
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: Jackson, Lateata
Sent: 25 May 2017 17:22:49 +0000
To: Bubel, Susan;Battle, Cynthia;Chialastri, Taneka;Kim, Bora;Foss, Ian;Oldre, Lisa;Walsh, Mark;Yorkshire, Nikcola
Cc: Leavitt, Katharine
Subject: RE: CRN 2785/CR3835 Where Are we Now...

Please see the highlighted updates to the current schedule:

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(b)(5)

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From: Bubel, Susan
Sent: Wednesday, May 24, 2017 11:14 AM
To: Jackson, Lateata; Battle, Cynthia; Chialastri, Taneka; Kim, Bora; Foss, Ian; Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola
Cc: Leavitt, Katharine
Subject: Re: CRN 2785/CR3835 Where Are we Now...

Do you want to capture the issue identified with Reduced Payment forbearance?

Also did you want to clarify the PH2 implementation is strictly related to Neg Am Processing?

Thanks,

Sue

From: Jackson, Lateata
Sent: Wednesday, May 24, 2017 11:07 AM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; Kim, Bora; Foss, Ian; Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola
Cc: Leavitt, Katharine
Subject: CRN 2785/CR3835 Where Are we Now...

I just want to make sure we are all on the same page. Below are the statuses as I know them. Please let me know if got something wrong:

(b)(5)

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From: Mais, Joseph
Sent: 5 Aug 2016 19:36:09 +0000
To: Utz, Jon;McLarnon, Gail;Foss, Ian;Marinucci, Fred;Lahey, Alisa;Smith, Brian;Masiuk, Libby;Hong, Caroline;Harden, Blake;Oliphint, Aubrey;Weisman, Annmarie
Cc: bduser;Porter, Christopher;Bronstein, Andrew;DiPaolo, John
Subject: RE: DCL to FFEL lender and GAs re - forbearance
Attachments: FFEL_Lender_GA_Forbearance_DCL_20160802.docx

Attaching a new draft with edits that make this a DCL explaining the early implementation of this provision.

From: Mais, Joseph
Sent: Thursday, August 04, 2016 11:19 AM
To: Utz, Jon; McLarnon, Gail; Foss, Ian; Marinucci, Fred; Lahey, Alisa; Smith, Brian; Masiuk, Libby; Hong, Caroline; Harden, Blake; Oliphint, Aubrey; Weisman, Annmarie
Cc: bduser; Porter, Christopher; Bronstein, Andrew; DiPaolo, John
Subject: RE: DCL to FFEL lender and GAs re - forbearance

Hi all – (b)(5)

(b)(5)

Please let me know right away if there are concerns or problems with this plan. Otherwise, I will send around a redrafted version of the DCL in terms of early implementation of the reg language.
Joseph

From: Mais, Joseph
Sent: Wednesday, August 03, 2016 10:01 AM
To: Utz, Jon; McLarnon, Gail; Foss, Ian; Marinucci, Fred; Lahey, Alisa; Smith, Brian; Masiuk, Libby; Hong, Caroline; Harden, Blake; Oliphint, Aubrey; Weisman, Annmarie
Cc: bduser; Porter, Christopher; Bronstein, Andrew; DiPaolo, John
Subject: RE: DCL to FFEL lender and GAs re - forbearance

Updated DCL attached.

From: Mais, Joseph
Sent: Friday, July 29, 2016 2:10 PM
To: Utz, Jon; McLarnon, Gail; Foss, Ian; Marinucci, Fred; Lahey, Alisa; Smith, Brian; Masiuk, Libby; Hong, Caroline; Harden, Blake; Oliphint, Aubrey
Cc: bduser; Porter, Christopher; Bronstein, Andrew; DiPaolo, John
Subject: DCL to FFEL lender and GAs re - forbearance

Circling back, after an extended hiatus, on this DCL. I have reconciled and made adjustments to a great deal of edits, suggestions and comments. I am attaching the latest version of the letter based on that feedback. I will be scheduling a call for next week – aiming for Tuesday – to discuss the remaining comments and to explain some of the decisions we made on other comments. Then, I hope to come to tentative agreement on a letter we can put into clearance.
Joseph

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Page 2005

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Page 2006

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From: Jackson, Lateata
Sent: 14 May 2015 06:35:30 -0500
To: Foss, Ian
Subject: Re: Declined: Navient Assessment Clarification - CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Yes, sadly. :-)

La Teata

> On May 13, 2015, at 8:49 PM, Foss, Ian <Ian.Foss@ed.gov> wrote:
>
> Sadly, I will be on vacation. :)
> <meeting.ics>

From: Siegel, Brian
Sent: 3 Mar 2017 13:45:24 +0000
To: McLarnon, Gail;Foss, Ian
Cc: Weisman, Annmarie;Smith, Brian;Utz, Jon;Kane, Rachel
Subject: RE: ED Guidance - Capitalized Interest

(b)(5)

Brian

From: McLarnon, Gail
Sent: Thursday, March 02, 2017 4:44 PM
To: Foss, Ian; Siegel, Brian
Cc: Weisman, Annmarie; Smith, Brian; Utz, Jon; Kane, Rachel
Subject: RE: ED Guidance - Capitalized Interest

Wow, interesting. Thanks.

From: Foss, Ian
Sent: Thursday, March 02, 2017 3:47 PM
To: Siegel, Brian; McLarnon, Gail
Cc: Weisman, Annmarie; Smith, Brian; Utz, Jon; Kane, Rachel
Subject: RE: ED Guidance - Capitalized Interest

(b)(5)

From: Siegel, Brian
Sent: Thursday, March 02, 2017 2:29 PM
To: McLarnon, Gail; Foss, Ian
Cc: Weisman, Annmarie; Smith, Brian
Subject: RE: ED Guidance - Capitalized Interest

(b)(5)

Brian

From: McLarnon, Gail
Sent: Thursday, March 02, 2017 8:51 AM
To: Siegel, Brian; Foss, Ian
Cc: Weisman, Annmarie; Smith, Brian
Subject: FW: ED Guidance - Capitalized Interest

Hi Brian and Ian, Please see the attached letter requesting guidance on capitalizing accrued interest for administrative forbearances that are granted to collect documentation. (b)(5)

(b)(5)

From: Brown, Johan
Sent: Thursday, March 02, 2017 8:42 AM
To: McLarnon, Gail
Subject: FW: ED Guidance - Capitalized Interest

Good Morning Ms. McLarnon:

Please see the attached letter from the FFEL Guarantor's Common Review Initiative group requesting policy guidance assistance.

Best Regards,

Ms. Johan Brown
Director, Northern Division
Financial Institution Oversight Service
Program Compliance/Federal Student Aid
U.S. Department of Education
Citigroup Center
500 West Madison Street, Suite 1551
Chicago, Il 60661
Phone: (312) 730-1642

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From: Wallace, Jerry
Sent: Wednesday, March 01, 2017 4:21 PM
To: Brown, Johan
Subject: RE: ED Guidance - Capitalized Interest

Johan

Request related to policy should be forwarded to Gail McLarnon.

Gail McLarnon
Senior Director, Policy Development, Analysis,
and Accreditation Service
Office of Postsecondary Education
Department of Education
202-219-7048
gail.mclarnon@ed.gov

Jerry W. Wallace
Director
Financial Institution Oversight Service
Office: (214) 661-9515
Fax: (214) 661-9581
E-Mail: Jerry.Wallace@ed.gov

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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto (b)(6) @ecmc.org]
Sent: Thursday, January 12, 2017 1:24 PM
To: Brown, Johan
Cc: (b)(4); (b)(6)
Subject: ED Guidance - Capitalized Interest

(b)(4); (b)(6)

Hi Johan,

As (b)(6) mentioned yesterday in CRI's monthly council call, we are in need of guidance from the Department. CRI and a servicer have different interpretations of capitalizing accrued interest for administrative forbearances that are granted to collect documentation. Please see the attached letter for more details. If any additional information is needed or you have questions please don't hesitate to contact me or (b)(4); (b)(6)

Thank you for your assistance in this matter.

(b)(4); (b)(6)

(b)(4); (b)(6)
Director
Internal Audit Department

ECMC
Group
P (b)(6)
F
(b)(4); (b)(6) @ecmc.org

From: McLarnon, Gail
Sent: 17 Mar 2017 18:15:37 +0000
To: Brown, Johan
Cc: Foss, Ian;Siegel, Brian;Arnold, Nathan;Mahaffie, Lynn
Subject: RE: ED Guidance - Capitalized Interest

Hi Johan, Thanks for your email seeking policy guidance on the different interpretations of capitalizing accrued interest for administrative forbearances that are granted to collect documentation under 34 CFR 682.211(f)(11) of the FFEL program regulations.

We are considering your request and will get back to you with a response as soon as we are able.

Gail McLarnon
Acting Deputy Assistant Secretary
Policy,Planning & Innovation
Office of Postsecondary Education
Department of Education
202-453-6624
gail.mclarnon@ed.gov

From: Brown, Johan
Sent: Thursday, March 02, 2017 8:42 AM
To: McLarnon, Gail
Subject: FW: ED Guidance - Capitalized Interest

Good Morning Ms. McLarnon:

Please see the attached letter from the FFEL Guarantor's Common Review Initiative group requesting policy guidance assistance.

Best Regards,

Ms. Johan Brown
Director, Northern Division
Financial Institution Oversight Service
Program Compliance/Federal Student Aid
U.S. Department of Education
Citigroup Center
500 West Madison Street, Suite 1551
Chicago, Il 60661
Phone: (312) 730-1642

Federal Student Aid
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From: Wallace, Jerry
Sent: Wednesday, March 01, 2017 4:21 PM
To: Brown, Johan
Subject: RE: ED Guidance - Capitalized Interest

Johan

Request related to policy should be forwarded to Gail McLarnon.

Gail McLarnon
Senior Director, Policy Development, Analysis,
and Accreditation Service
Office of Postsecondary Education
Department of Education
202-219-7048
gail.mclarnon@ed.gov

Jerry W. Wallace
Director
Financial Institution Oversight Service
Office: (214) 661-9515
Fax: (214) 661-9581
E-Mail: Jerry.Wallace@ed.gov

StudentAid.gov

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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @ecmc.org]
Sent: Thursday, January 12, 2017 1:24 PM
To: Brown, Johan
Cc: (b)(4); (b)(6)
Subject: ED Guidance - Capitalized Interest

(b)(4); (b)(6)

Hi Johan,

As mentioned yesterday in CRI's monthly council call, we are in need of guidance from the Department. CRI and a servicer have different interpretations of capitalizing accrued interest for administrative forbearances that are granted to collect documentation. Please see the attached letter for more details. If any additional information is needed or you have questions please don't hesitate to contact me or (b)(4); (b)(6)

Thank you for your assistance in this matter.

(b)(4); (b)(6)

(b)(4); (b)(6)
Director
Internal Audit Department

ECMC
Group

P (b)(6)
F
(b)(4); (b)(6) @ecmc.org

From: Bubel, Susan
Sent: 9 Feb 2017 20:08:14 +0000
To: Battle, Cynthia;Foss, Ian;Chialastri, Taneka
Subject: RE: Feedback on PHEAA CR 2785 Scenarios

Navient's walkthrough is being moved to Monday afternoon, they are unavailable tomorrow ☹

From: Bubel, Susan
Sent: Thursday, February 9, 2017 2:01 PM
To: 'Battle, Cynthia'; Foss, Ian; Chialastri, Taneka
Subject: Feedback on PHEAA CR 2785 Scenarios

Good Afternoon,

I have finally completed the entire review of PHEAA's CR2785 artifacts and am a bit disappointed as you can probably tell form the attached feedback.

(b)(5)

Thanks for listening, and please let me know if you have any comments, suggestions or corrections on the feedback document. I will have La Teat send it out to PHEAA tomorrow.

Sue

From: Battle, Cynthia
Sent: 6 Aug 2014 13:55:30 -0500
To: Foss, Ian
Subject: RE: Final Capitalization Questions

Thank you! My action item is to clarify the requirements on record to prevent another misinterpretation once there is agreement to the approach.

Thanks again for the help!

From: Foss, Ian
Sent: Wednesday, August 06, 2014 2:48 PM
To: Battle, Cynthia
Subject: FW: Final Capitalization Questions

Found it! It's in the Great Lakes section, below, but here's an excerpt. (b)(5)

(b)(5)

(b)(5)

From: Foss, Ian
Sent: Monday, December 12, 2011 2:42 PM
To: Battle, Cynthia
Subject: RE: Final Capitalization Questions

Cindy,

(b)(5)

(b)(5)

Otherwise, I think it's all correct.

Ian

From: Battle, Cynthia
Sent: Monday, December 12, 2011 2:07 PM
To: Foss, Ian
Subject: RE: Final Capitalization Questions

Add the questions tab – but, need another set of eyes to make sure I've captured all the questions and appropriate responses. Gracias!

From: Battle, Cynthia
Sent: Monday, December 12, 2011 9:35 AM
To: Battle, Cynthia; Foss, Ian; Jackson, Lateata
Cc: Curran, Frank D.
Subject: RE: Final Capitalization Questions

Sorry – forgot to add the attachment (with updates):

(b)(5)

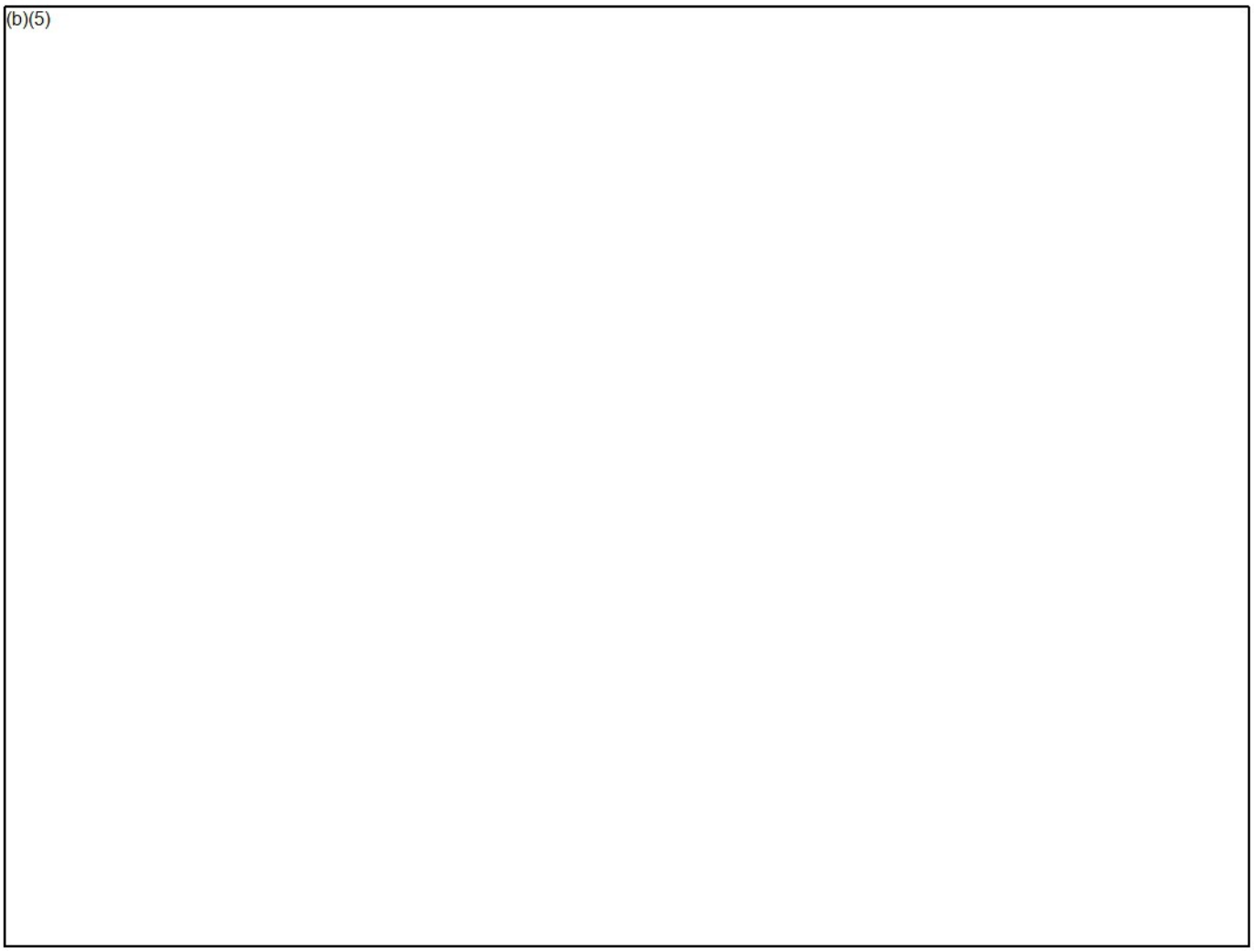
Thanks!

From: Battle, Cynthia
Sent: Monday, December 12, 2011 9:22 AM
To: Foss, Ian; Jackson, Lateata
Cc: Battle, Cynthia; Curran, Frank D.
Subject: Final Capitalization Questions

I've consolidated all the capitalization questions for MOHELA, Great Lakes and PHEAA. I'm hopeful this will close this one out completely TODAY.

(b)(5)

(b)(5)



From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Friday, December 09, 2011 1:29 PM
To: Battle, Cynthia
Subject: On Second Thought...

Maybe you should send out a message about the deferment capping question I sent yesterday. I can see someone else reading it too literally like I did.

Here was my situation –



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only for the use of the recipient(s) named above, and may be legally privileged. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication, or any of its contents, is strictly prohibited. If you have received this communication in error, please notify the sender immediately and
destroy or delete the original message and any copy of it from your computer system. If you have any questions concerning this message, please contact the
sender.
==========
===

From: (b)(4); (b)(6)
Sent: 30 Mar 2017 22:37:10 +0000
To: Bubel, Susan; (b)(5) ;CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark; (b)(5) @glhec
Cc: Servicing Operations
Subject: RE: Follow up on Great Lakes CR2785 FSA Walkthrough

Password is (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6) | Manager – Servicing Operations
☎ (b)(6) |Mobile (b)(6) | F: (b)(6) ✉ @glhec.org
Great Lakes Educational Loan Services, Inc.

GREAT LAKES

50 CELEBRATING 50 YEARS OF BRIGHTER FUTURES 1967–2017

From: (b)(4); (b)(6)
Sent: Thursday, March 30, 2017 5:36 PM
To: 'Bubel, Susan'; (b)(4); (b)(6) 'CM_Validation'; 'Jackson, Lateata'; 'Yorkshire, Nikcola'; 'Kim, Bora'; 'Foss, Ian'; 'Battle, Cynthia'; 'Chialastri, Taneka'; 'Oldre, Lisa'; 'Walsh, Mark'; (b)(4); (b)(6)
(b)(4); (b)(6)
Cc: Servicing Operations
Subject: Follow up on Great Lakes CR2785 FSA Walkthrough

Sue,

Thank you again for your time last Wednesday during the walkthrough. As part of the walkthrough we noted two follow-up items needed for FSA in order to move forward with contract approval along with other general take-a-ways. Those items are below and attached. I wanted to also make you aware that due to the (b)(5)

(b)(5)

(b)(5)

Additional take-a-way items noted are as follows:

(b)(5)

Please let me know if you have any additional questions.

Thank you,

(b)(4); (b)(6) | Manager – Servicing Operations
(b)(6) |Mobile (b)(6) | F: (b)(6) | (b)(4); (b)(6) @glhec.org
Great Lakes Educational Loan Services, Inc.



From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Wednesday, March 22, 2017 9:48 AM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark
Subject: RE: Great Lakes CR2785 FSA Walkthrough

Good Morning here are FSA's question on the artifacts.

Talk to you all this afternoon.

Password to follow.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov



From: Bubel, Susan
Sent: Wednesday, March 22, 2017 8:11 AM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark
Subject: RE: Great Lakes CR2785 FSA Walkthrough

Thanks and can I confirm, we have the meeting scheduled for 1- 5:30 EST?

I have only a few questions on the artifacts I will send to you folks later this morning.

Talk to you all this afternoon.

Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Tuesday, March 21, 2017 6:13 PM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Subject: RE: Great Lakes CR2785 FSA Walkthrough

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Hello!

Attached please find a WinZip file containing the following documents for tomorrow's walkthrough scheduled from 12:00 – 4:30 PM CST:

- Great Lakes CR2785 Walkthrough Agenda
- CR2785 FSA Walkthrough Supplemental Doc
- Validation System Overview

We will use these documents to facilitate the meeting tomorrow. Please note that we have time allocated for Validation Artifact questions. If you have specific items regarding the Validation Artifacts we sent on March 1st, please forward for review. If not, we can take questions then and respond or take away for follow up.

Thanks! Jim

-----Original Appointment-----
From: (b)(4); (b)(6)
Sent: Thursday, February 23, 2017 10:44 AM
To: (b)(4); (b)(6) CM_Validation@ed.gov; Lateata.Jackson@ed.gov; Nikcola.Yorkshire@ed.gov; Bora.Kim@ed.gov; Ian.Foss@ed.gov; Cynthia.Battle@ed.gov; Taneka.Chialastri@ed.gov; Lisa.Oldre@ed.gov; Mark.Walsh@ed.gov; Bubel, Susan
Subject: Great Lakes CR2785 FSA Walkthrough
When: Wednesday, March 22, 2017 12:00 PM-4:30 PM (UTC-06:00) Central Time (US & Canada).
Where: WebEx

CR2785 Interest Capping walkthrough with FSA. Agenda will be provided before the meeting.

WebEx Info:

Great Lakes CR2785 Walkthrough with FSA

Join WebEx Meeting

Meeting number (access code): (b)(6)
Meeting password: (b)(6)
Host key: (b)(6)

Join by phone
1-866-469-3239 Call-in toll-free number (US/Canada)
1-650-429-3300 Call-in toll number (US/Canada)

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From: (b)(4); (b)(6)
Sent: 5 Apr 2017 04:21:59 +0000
To: Bubel, Susan; (b)(4); (b)(6) CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark; (b)(4); (b)(6) @glhec
Cc: Servicing Operations
Subject: RE: Follow up on Great Lakes CR2785 FSA Walkthrough

Sue,

I am just following up to see if FSA has had an opportunity to review the email sent last Thursday regarding the new proposed implementation deadline. Please confirm as tomorrow was set to be the original planned implementation. Thank you again for your understanding.

Jamie

Sent from Mail for Windows 10

From: (b)(4); (b)(6)
Sent: Thursday, March 30, 2017 5:36 PM
To: 'Bubel, Susan'; (b)(4); (b)(6) 'CM_Validation'; 'Jackson, Lateata'; 'Yorkshire, Nikcola'; 'Kim, Bora'; 'Foss, Ian'; 'Battle, Cynthia'; 'Chialastri, Taneka'; 'Oldre, Lisa'; 'Walsh, Mark'; (b)(4); (b)(6)
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(b)(5)

(b)(5)

(b)(5)

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(b)(5)

Please let me know if you have any additional questions.

Thank you,

(b)(4); (b)(6) | Manager – Servicing Operations
(b)(6) Mobile (b)(6) | F: (b)(6) | (b)(4); @glhec.org
Great Lakes Educational Loan Services, Inc.





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Sent: Wednesday, March 22, 2017 9:48 AM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark
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Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: Bubel, Susan
Sent: Wednesday, March 22, 2017 8:11 AM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark
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Sue

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Sent: Tuesday, March 21, 2017 6:13 PM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Subject: RE: Great Lakes CR2785 FSA Walkthrough

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(b)(4); (b)(6)

Thanks!

-----Original Appointment-----
From: (b)(4); (b)(6)
Sent: Thursday, February 23, 2017 10:44 AM
To: (b)(4); (b)(6); CM_Validation@ed.gov; Lateata.Jackson@ed.gov;

Nikcola.Yorkshire@ed.gov; Bora.Kim@ed.gov; Ian.Foss@ed.gov; Cynthia.Battle@ed.gov; Taneka.Chialastri@ed.gov; Lisa.Oldre@ed.gov; Mark.Walsh@ed.gov; Bubel, Susan
Subject: Great Lakes CR2785 FSA Walkthrough
When: Wednesday, March 22, 2017 12:00 PM-4:30 PM (UTC-06:00) Central Time (US & Canada).
Where: WebEx

CR2785 Interest Capping walkthrough with FSA. Agenda will be provided before the meeting.

WebEx Info:

Great Lakes CR2785 Walkthrough with FSA

Join WebEx Meeting

Meeting number (access code): (b)(6)
Meeting password (b)(6)
Host key: (b)(6)

Join by phone
1-866-469-3239 Call-in toll-free number (US/Canada)
1-650-429-3300 Call-in toll number (US/Canada)

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From: Hoblitzell, Barbara
Sent: 27 Aug 2015 14:26:00 +0000
To: O'Brien, Erin
Cc: Mahaffie, Lynn;Weisman, Annmarie;McLarnon, Gail;Smith, Brian;Siegel, Brian;Utz, Jon;Foss, Ian;Chesley, Susan;Hales, Anthony;Mais, Joseph;Masiuk, Libby;McCann, Clare;Protopsaltis, Spiros
Subject: RE: Following up on the PFH capitalization discussion

Thanks, Erin.

From: O'Brien, Erin [mailto:(b)(6) @omb.eop.gov]
Sent: Thursday, August 27, 2015 10:25 AM
To: Hoblitzell, Barbara
Cc: Mahaffie, Lynn; Weisman, Annmarie; McLarnon, Gail; Smith, Brian; Siegel, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Hales, Anthony; Mais, Joseph; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros
Subject: RE: Following up on the PFH capitalization discussion

No, I would put this into clearance and note this is an outstanding issue.

From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
Sent: Thursday, August 27, 2015 10:07 AM
To: O'Brien, Erin
Cc: Mahaffie, Lynn; Weisman, Annmarie; McLarnon, Gail; Smith, Brian; Siegel, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Hales, Anthony; Mais, Joseph; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros
Subject: Following up on the PFH capitalization discussion

Hi, Erin.

We are preparing the final regulations to submit for Internal Clearance later today or early tomorrow. Has OMB reached a decision regarding the capitalization of interest for borrowers in REPAYE who are determined to no longer have a PFH?
Kind regards,
b.
Barbara A. Hoblitzell
Office of Postsecondary Education
Policy, Planning and Innovation
202.502.7649

From: Battle, Cynthia
Sent: 26 Jan 2017 15:26:35 +0000
To: (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Jackson, Lateata
Cc: Foss, Ian;Chialastri, Taneka;Washington, Patrice;Leavitt, Katharine
Subject: RE: FSA CONCLUSION (CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016)

(b)(4); (b)(6)

- give me a quick call so we can discuss what NN is looking for. (b)(5)

(b)(5)

Give me a call and we can discuss any specific concerns or needs for NN.

Thanks.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Tuesday, January 24, 2017 10:32 AM
To: Bubel, Susan; (b)(4); (b)(6) Jackson, Lateata
Cc: Battle, Cynthia; Foss, Ian; Chialastri, Taneka; Washington, Patrice
Subject: RE: FSA CONCLUSION (CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016)

Sue –

Thank you for the responses. Based on the answers below this does change our impact assessment. Would you like us to resubmit to further clarify our approach based on the answers received?

(b)(4); (b)(6)

Is it possible to receive an updated 2785 which incorporates all of the recent Q&A that has been distributed via email?
Thanks

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Wednesday, January 11, 2017 10:32 AM
To: (b)(4); (b)(6) @nelnet.net>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: Battle, Cynthia <Cynthia.Battle@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; (b)(4); (b)(6) @nelnet.net>
Subject: RE: FSA CONCLUSION (CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016)

See below:

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Wednesday, January 11, 2017 10:14 AM
To: Jackson, Lateata
Cc: Battle, Cynthia; Bubel, Susan; Foss, Ian; Chialastri, Taneka; (b)(4); (b)(6)
Subject: RE: FSA CONCLUSION (CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016)

Hello,

Thank you for the information. We have a few clarification questions to ensure were our interpreting the Q&A and your conclusion correctly.

(b)(5)

(b)(5)

75

(b)(5)

(b)(5)

Thanks,

Sue

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Thank you,

(b)(4); (b)(6)
O: (b)(6)
C:

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Monday, January 09, 2017 10:51 AM
To: (b)(4); (b)(6) @glhec.org>; @glhec <@glhec.org>; (b)(4); (b)(6) @glhec.org>; (b)(4); (b)(6) @navient.com>; (b)(4); @navient.com; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6) (b)(4); (b)(6) @nelnet.net>; (b)(4); (b)(6) @nelnet.net>; EdFinancial CM Email <EdfinancialFSAChangeReq@edfinancial.com>; (b)(4); (b)(6) Edfinancial (b)(4); (b)(6) @edfinancial.com>; (b)(4); (b)(6) (EDFINANCIAL) @edfinancial.com>; @gsmr.org; (b)(4); (b)(6) (b)(4); (b)(6) @gsmr.org>; (b)(4); (b)(6) (OSLA) @osla.org>; (b)(4); (b)(6) (OSLA) @osla.org>; (b)(4); (b)(6) (OSLA) <(b)(4); @osla.org>; (b)(4); (b)(6) OSLA) (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) (OSLA) @osla.org>; OSLA CM Email <OSLA-CR@osla.org>; (b)(4); (b)(6) @osla.org>; (b)(4); (b)(6) @pheaa.org>; (b)(4); (b)(6) @pheaa.org>; PHEAACRs (PHEAACRs@pheaa.org) <PHEAACRs@pheaa.org>; (b)(4); (b)(6) @mohela.com>; (b)(4); (b)(6) @utahsbr.edu>; CornerStone CM Box <CSChangeControl@mycornerstoneloan.org>; (b)(4); (b)(6) @mycornerstoneloan.org>
Cc: Battle, Cynthia <Cynthia.Battle@ed.gov>; Bubel, Susan <Susan.Bubel@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>
Subject: FSA CONCLUSION (CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016)

FSA Conclusion:

From the servicer responses we received, it looks like you all Do Not want to change the approach with Neg Am, Based on this input we will not make the change to Neg Am handling at this point and will proceed as previously discussed.

Neg Am remains Neg Am until either paid or capitalized. In cases of IBR, PAYE, and REPAYE the Neg Am portion can be included in the exiting capping event.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Thursday, December 22, 2016 12:32 PM
To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CORRECTION -- CR 2785 Workbook Updates as of 12/21/2016

Please see the attached correction made by FSA

<< File: CR 2785 Servicer Q&A Update 122116.docx >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

(b)(4); (b)(6)

(b)(4); (b)(6)

From: Jackson, Lateata
Sent: Wednesday, December 14, 2016 2:07 PM
To: (b)(4); (b)(6) @navient.com; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Foss, Ian
Subject: CR 2785 Workbook Updates as of 12/14/2016

Attached is the latest set of updates and Q&A responses. The only outstanding issue at this point is in regards to subsidy benefits. We are working to get a response to that and will send out another update once we have it.

<< File: Updated Capitalization Requirements _Workbook V01.10 121316.xlsx >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: 24 Jan 2017 21:41:00 +0000
To: PHEAACRs;CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark
Cc: (b)(4); (b)(6)
Subject: RE: FSA CR 2785 - PH Validation Follow-up
Attachments: PHEAA.zip

Thank you for your quick feedback and additional information. I added a few comments/ questions. Also have you sent the invite for Thursday and yesterday's call recording? I don't see it in my calendar, but may have missed it somehow.

Thanks again and talk to you Thursday.

Password to follow

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION | PROUD SPONSOR of the AMERICAN MIND™

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Tuesday, January 24, 2017 12:40 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: FSA CR 2785 - PH Validation Follow-up

Good Afternoon!

Please review the attached, in follow-up to yesterday's validation walk through. We look forward to talking again with you on Thursday morning.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: Bubel, Susan
Sent: 24 Jan 2017 21:41:57 +0000
To: PHEAACRs;CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark
Cc: (b)(4); (b)(6)
Subject: RE: FSA CR 2785 - PH Validation Follow-up

(b)(6)

From: Bubel, Susan
Sent: Tuesday, January 24, 2017 4:39 PM
To: 'PHEAACRs'; CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark
Cc: (b)(4); (b)(6)
Subject: RE: FSA CR 2785 - PH Validation Follow-up

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Password to follow

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Tuesday, January 24, 2017 12:40 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: FSA CR 2785 - PH Validation Follow-up

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Thank you!

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); (b)(6)@pheaa.org | o:(b)(6) | m: (b)(6)

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Code:PHEAA

From: Bubel, Susan
Sent: 2 Feb 2017 15:08:51 +0000
To: Chialastri, Taneka;Battle, Cynthia;Kim, Bora;Foss, Ian;Jackson, Lateata;Oldre, Lisa;Walsh, Mark;Yorkshire, Nikcola
Subject: RE: FSA CR 2785 - PHEAA Follow-up Discussion

For anyone in UCP, I hopefully booked WDCUCP-111C1 WDCUCP-111C1@ed.gov, I have not received a confirmation, but am planning to go set up about 10:45 so come join me if you like at 11.

Thanks,

(b)(4); (b)(6)

Sue

-----Original Appointment-----
From: (b)(4); (b)(6) PHEAA [mailto: @pheaa.org]
Sent: Monday, January 30, 2017 1:33 PM
To: (b)(4); (b)(6) PHEAA; Battle, Cynthia; (b)(4); (b)(6) PHEAA; (b)(4); (b)(6) PHEAA; (b)(4); (b)(6) AES; (b)(4); (b)(6) AES; (b)(4); (b)(6) AES; Bubel, Susan; Chialastri, Taneka; HQ-3-NE-Cumberland Conf. Room/PHEAA HQ; Conf No FedLoan (b)(4); (b)(6) Telecomm Equipment/PHEAA HQ
Cc: Kim, Bora; (b)(4); (b)(6) PHEAA; (b)(4); (b)(6) PHEAA; Foss, Ian; (b)(4); (b)(6) PHEAA; Jackson, Lateata; Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola
Subject: FSA CR 2785 - PHEAA Follow-up Discussion
When: Thursday, February 02, 2017 11:00 AM-12:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: HQ-3-NE-Cumberland Conf. Room/PHEAA HQ@pheaa

NUMBER: (b)(6)
ACCESS CODE: (b)(4); << File: ecblank.gif >> << File: pic22624.gif >> << File: ATT00001.htm >> << File: c133229.ics >>

From: Jackson, Lateata
Sent: 25 May 2017 14:29:17 +0000
To: PHEAACRs
Cc: Bubel, Susan;Chialastri, Taneka;Kim, Bora;Foss, Ian;Oldre, Lisa;Walsh, Mark;Battle, Cynthia;CM_Validation;Yorkshire, Nikcola(b)(4); (b)(6) /PHEAA;(b)(4); (b)(6) /PHEAA;(b)(4); (b)(6) /PHEAA;(b)(4); (b)(6) /AES;(b)(4); (b)(6) /AES;Shea (b)(4); (b)(6) /AES;Allen, Heather;Reaves, Michelle;Mahon, Karen;Smith, Lynn;Washington, Patrice;Espinosa, Kimberly;Johnson, Debbe;Porter, Larry;Bean, Paul
Subject: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions
Attachments: Comments on PHEAA CR 2785 Updated Validation scenario #1 and 2 May 2017....docx
Importance: High

Lauren,

FSA is reviewing the scenarios but still have questions on Scenario #1(see attached). Can you answer these for us or let us know if a meeting is needed?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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(b)(4); (b)(6)

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Thursday, May 18, 2017 4:19 PM
To: Jackson, Lateata
Cc: Bubel, Susan; Chialastri, Taneka; Kim, Bora; Foss, Ian; Oldre, Lisa; Walsh, Mark; Battle, Cynthia; CM_Validation; Yorkshire, Nikcola(b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /PHEAA; PHEAA;(b)(4); (b)(6) /AES;(b)(4); (b)(6) /AES;(b)(4); (b)(6) /AES; PHEAACRs; Allen, Heather; Reaves, Michelle; Mahon, Karen; Smith, Lynn; Washington, Patrice; Espinosa, Kimberly; Johnson, Debbe; Porter, Larry; Bean, Paul
Subject: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Good Afternoon La Teata!

As requested, attached are the revisions to Scenario #1 showing the progression of all transactions, including other attachments for Scenario #1 such as the loan interest letter and a summary of how our current environment produces test letters.

Revisions to Scenario #2 are also included for loans 1 and 2.

As discussed, I also wanted to formally make you aware that PHEAA has pushed our planned release of the correction for NegAm to June 8, 2017.

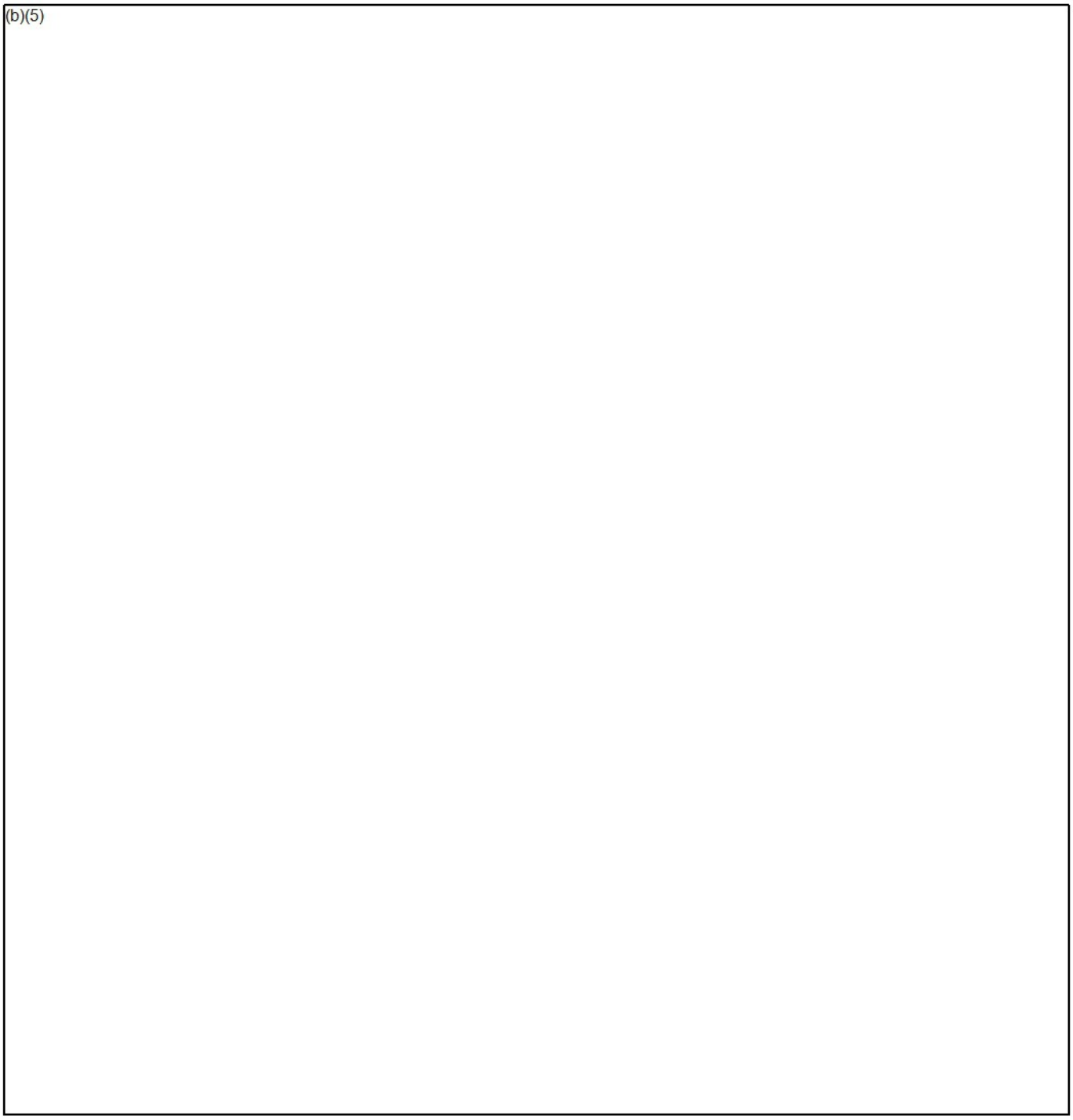
Please advise if any further clarification is required. Thank you!

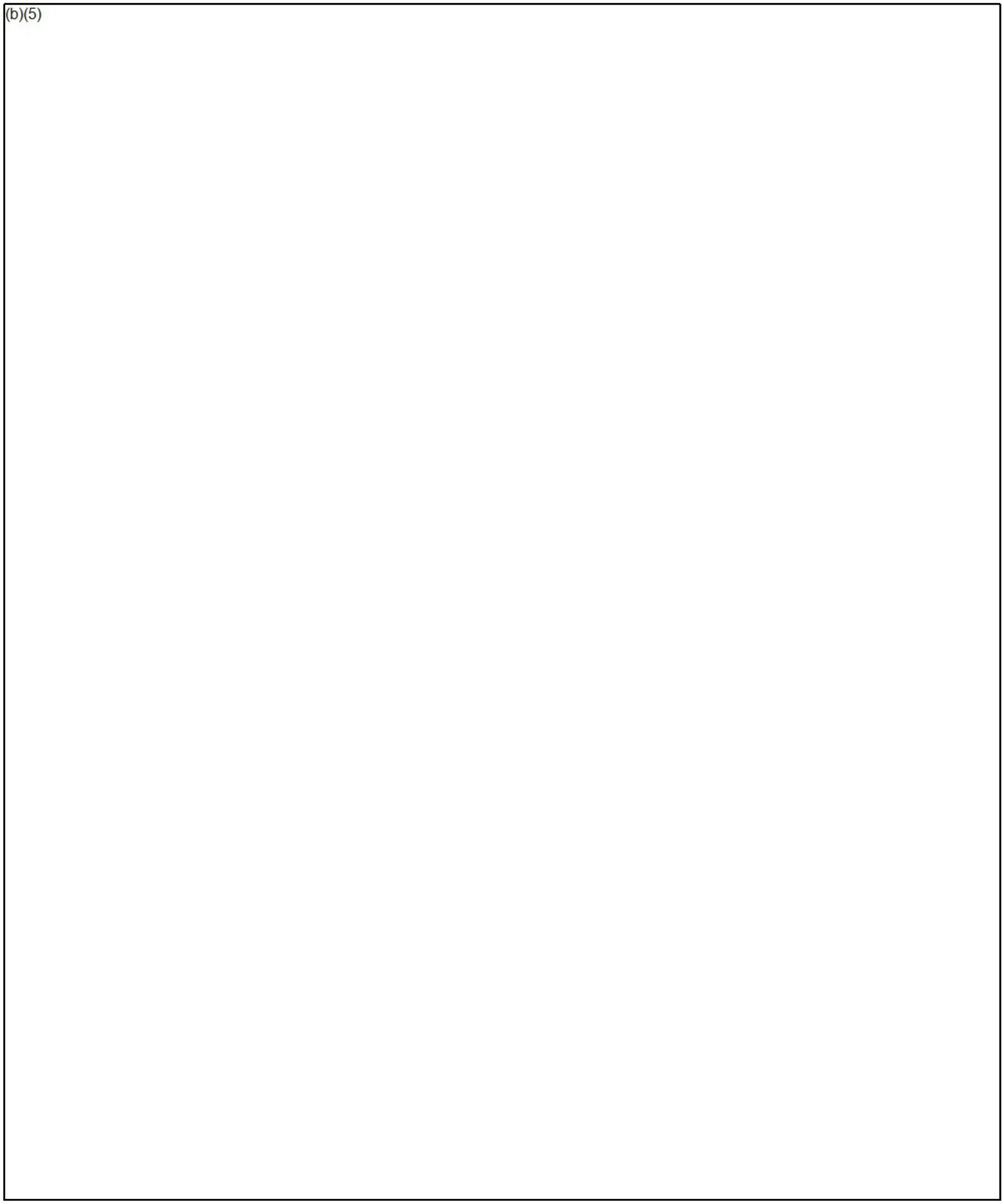
(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o:(b)(6) | m:(b)(6)

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Code:PHEAA


(b)(5)


(b)(5)

(b)(5)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: Jackson, Lateata
Sent: 9 May 2017 12:14:44 +0000
To: (b)(4); (b)(6) /PHEAA;(b)(4); (b)(6) /PHEAA; /PHEAA;(b)(4); (b)(6) /AES;(b)(4); (b)(6) /AES;(b)(4); (b)(6) /AES;HQ-2B-SE/PHEAA HQ
Cc: Bubel, Susan;Chialastri, Taneka;Kim, Bora;Foss, Ian;Oldre, Lisa;Walsh, Mark;Battle, Cynthia;CM_Validation;Yorkshire, Nikcola
Subject: RE: FSA CR 2785 - PHEAA NegAm
Attachments: Comments on PHEAA CR 2785 Validation May 2017.docx

In preparation for our walkthrough on Thursday, FSA wanted to share some preliminary comments/questions we have on the artifacts you submitted. We are requesting that PHEAA take a look at these. In some cases we believe you are missing information in your artifacts that you will need to provide prior to the walkthrough. In others, you will need to explain your processing to help us understand what you are trying to convey. We will need to address all of these during our walkthrough.

<< File: ecblank.gif >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

(b)(4); (b)(6)

-----Original Appointment-----
From: (b)(4); (b)(6) PHEAA [mailto: @pheaa.org]
Sent: Wednesday, February 22, 2017 10:54 AM
To: (b)(4); (b)(6) /PHEAA; Kim, Bora; CM_Validation; Battle, Cynthia; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) PHEAA; Foss, Ian; Jackson, Lateata; Oldre, Lisa; Walsh, Mark; (b)(4); (b)(6) AES; Yorkshire, Nikcola; (b)(4); (b)(6) /AES; (b)(4); (b)(6) AES; Bubel, Susan; Chialastri, Taneka; HQ-2B-SE/PHEAA HQ; Conf No FedLoan (b)(4); (b)(6) /Telecomm Equipment/PHEAA HQ
Subject: FSA CR 2785 - PHEAA NegAm
When: Thursday, May 11, 2017 9:00 AM-12:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: HQ-2B-SE/PHEAA HQ@pheaa

Adjusting the internal location. No other changes.
Event Information

Event:
FSA CR 2785 - PHEAA NegAm Validation

Program:
FSA

Event address for attendees:
https://fedloanservicing.webex.com/fedloanservicing/onstage/g.php?MTID=e88d6ea46666adb4e0f2cb1faf106455c

Date and time:
Tuesday, May 9, 2017 9:00 am
Eastern Daylight Time (New York, GMT-04:00)

Duration:
1 hour

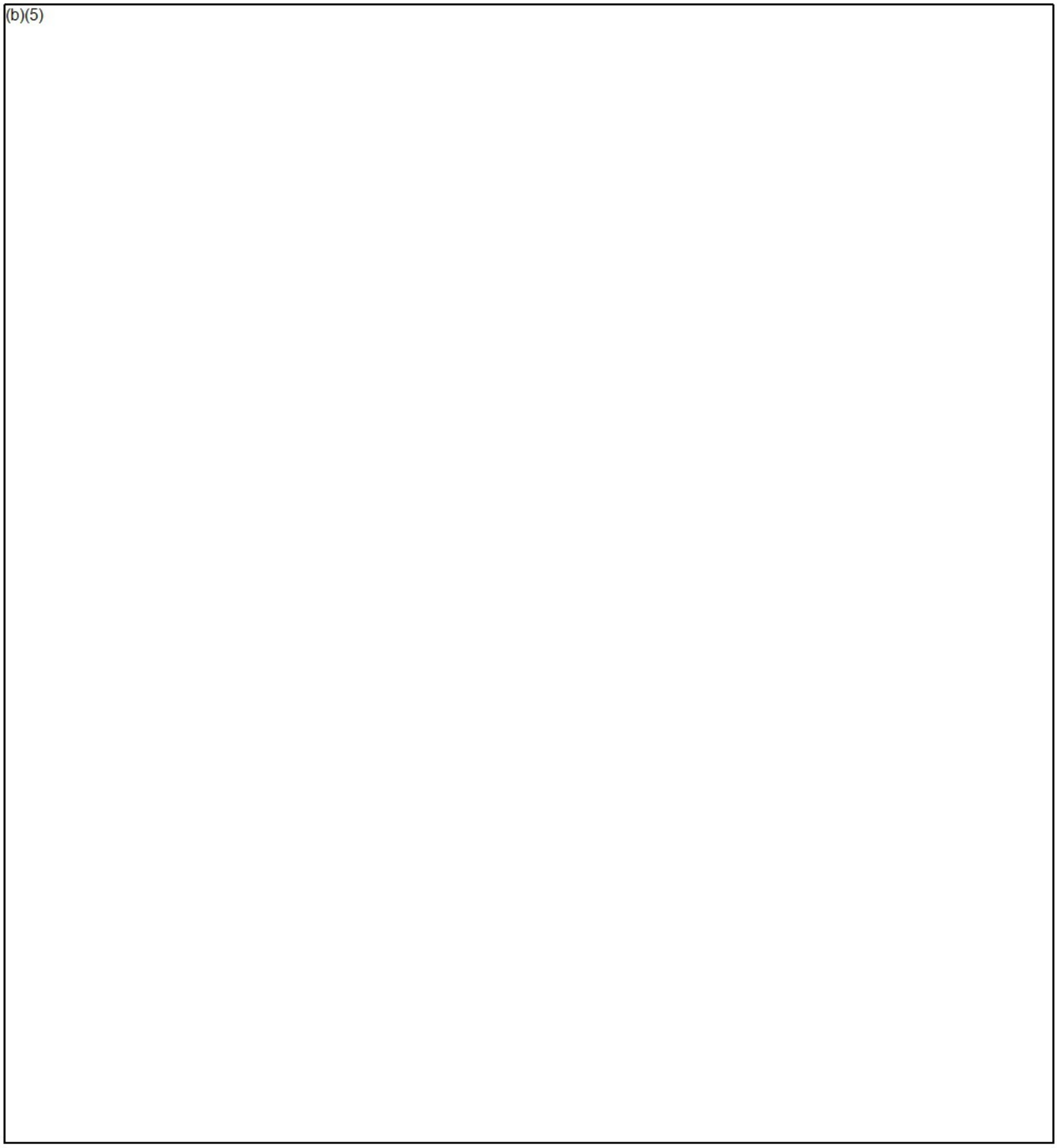
Event number:
(b)(6)

Event password:
(b)(6)

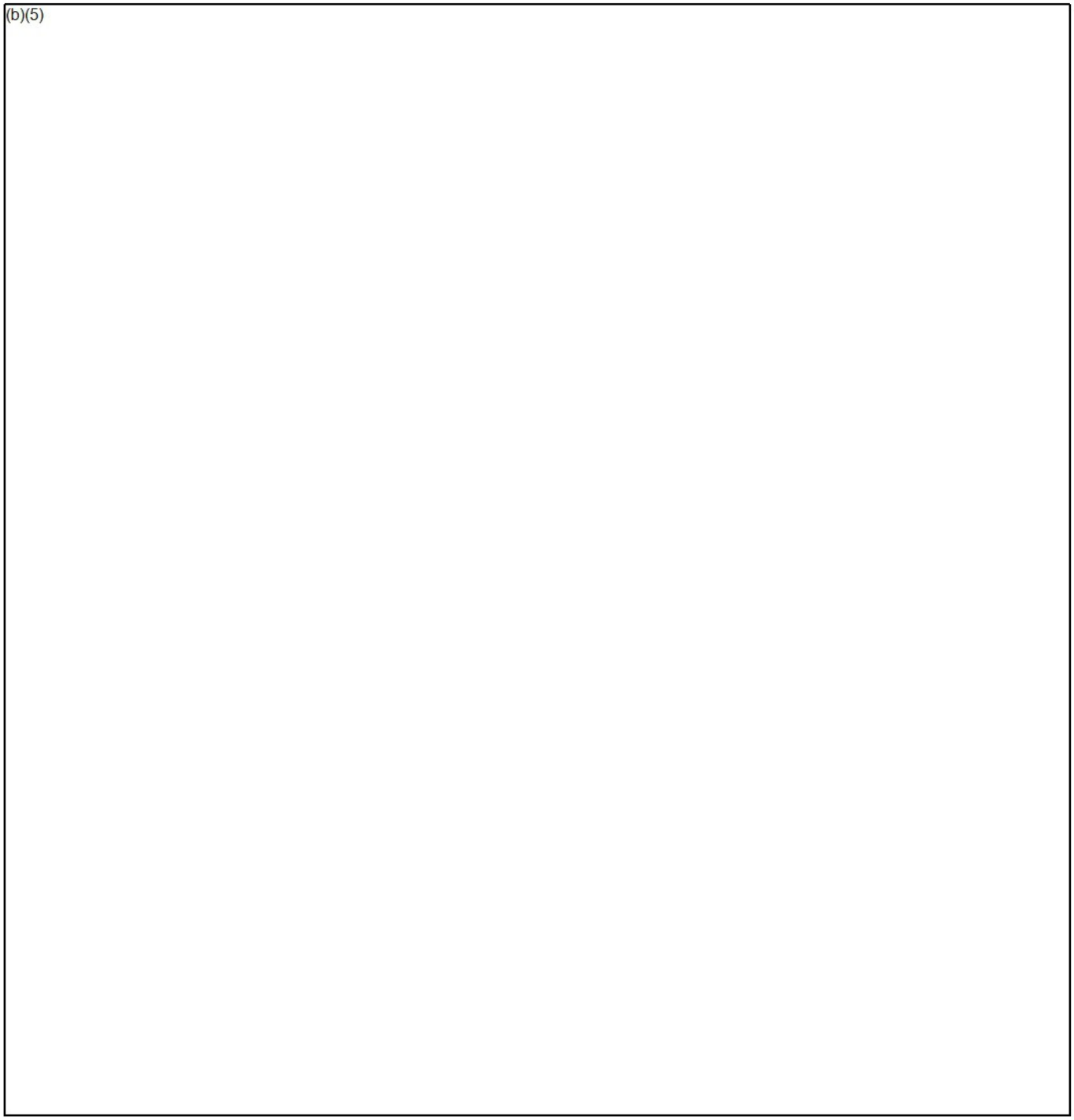
Audio conference:
NUMBER: (b)(6)
ACCESS CODE: (b)(6)

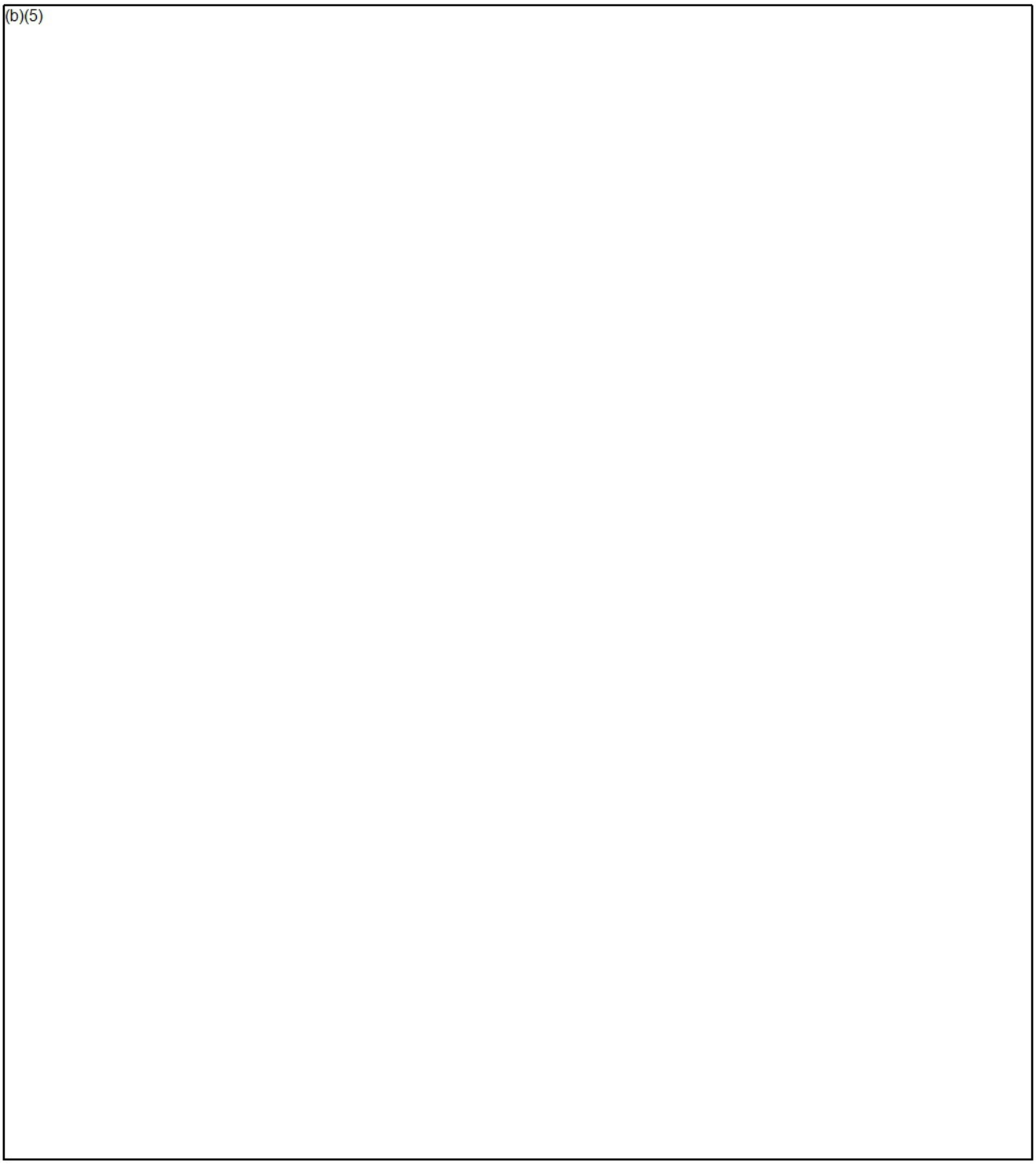
<< File: ecblank.gif >> << File: ATT00001.htm >> << File: ATT00002.htm >> << File: c122738.ics >>

(b)(5)

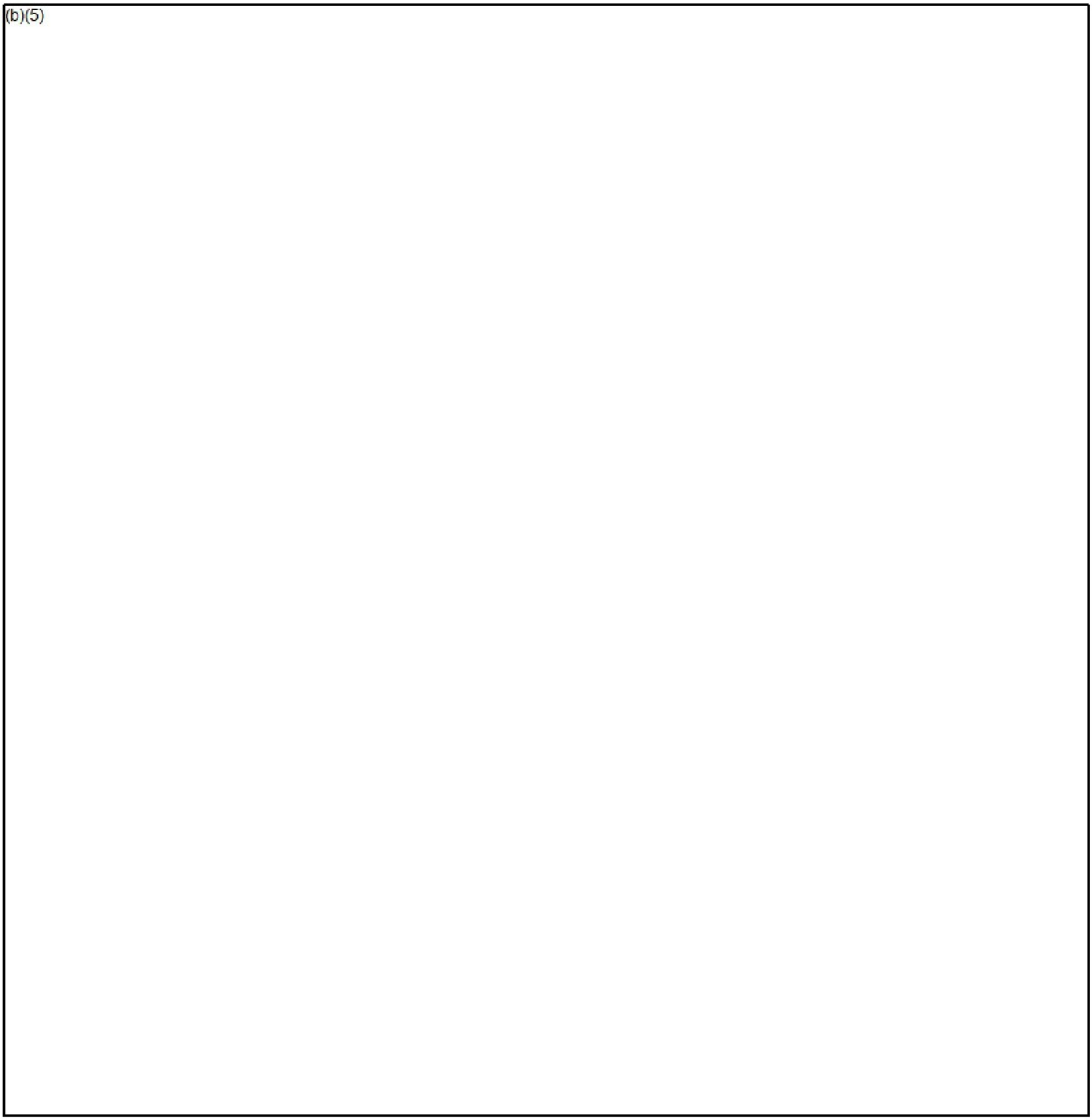

(b)(5)

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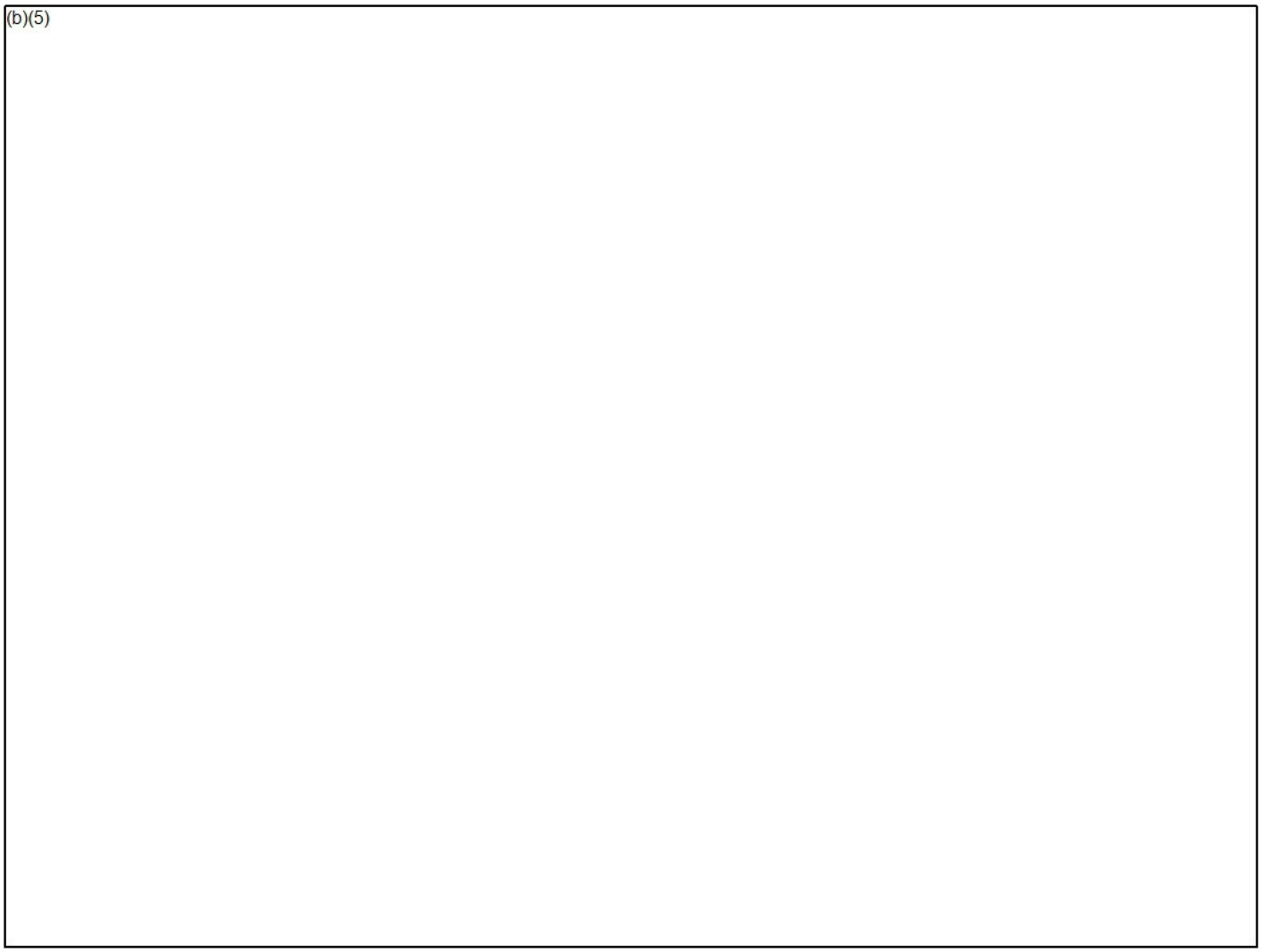
(b)(5)


(b)(5)

(b)(5)


(b)(5)


(b)(5)


(b)(5)

From: Foss, Ian
Sent: 10 May 2017 22:28:52 +0000
To: Bubel, Susan
Subject: Re: FSA CR 2785 - PHEAA NegAm
Attachments: ATT00001.jpg

Blerg.

> On May 10, 2017, at 17:48, Bubel, Susan <Susan.Bubel@ed.gov> wrote:
>
> FYI ☹ on 11 PHEAA stated that a Reduced Payment Forbearance is not a capping event ☹ tomorrow morning will be interesting. Please Join if you can
>
> From: (b)(4); (b)(6) [mailto:(b)(4); @pheaa.org]
> Sent: Wednesday, May 10, 2017 4:13 PM
> To: Jackson, Lateata
> Cc: Kim, Bora; CM_Validation; Battle, Cynthia; (b)(4); (b)(6) 'PHEAA; (b)(4); (b)(6) 'PHEAA; HQ-2B-SE/PHEAA HQ; Foss, Ian; Oldre, Lisa; (b)(4); (b)(6) 'PHEAA; Walsh, Mark; (b)(4); (b)(6) 'AES; Yorkshire, Nikcola; (b)(4); (b)(6) AES; Bubel, Susan; Chialastri, Taneka
> Subject: Re: RE: FSA CR 2785 - PHEAA NegAm
>
> Good Afternoon LaTeata!
> Attached is our response to your comments/questions. We are ready to provide any additional clarification where needed during tomorrow's walkthrough.
>
>
>
>
>
> Take Care!
>
>
> (b)(4); (b)(6)
> FedLoan Servicing School Support
> (b)(4); (b)(6) @pheaa.org<mailto: @pheaa.org>
> Phone (b)(4); (b)(6)
>
>
>
> From: "Jackson, Lateata" <Lateata.Jackson@ed.gov<mailto:Lateata.Jackson@ed.gov>>
> To: (b)(4); (b)(6) 'PHEAA" @pheaa.org<mailto: @pheaa.org>>, (b)(4); (b)(6) 'PHEAA @aessuccess.org<mailto: @aessuccess.org>>, (b)(4); (b)(6) 'PHEAA @aessuccess.org<mailto: @aessuccess.org>>, (b)(4); (b)(6) AES" @aessuccess.org<mailto: @aessuccess.org>>, (b)(4); (b)(6) AES @pheaa.org<mailto: @pheaa.org>>, (b)(4); (b)(6) AES (b)(4); (b)(6) @aessuccess.org<mailto: @aessuccess.org>>, HQ-2B-SE/PHEAA HQ <HQ-2B-SE/PHEAA_HQ@stryder.aessuccess.org<mailto:HQ-2B-SE/PHEAA_HQ@stryder.aessuccess.org>>
> Cc: "Bubel, Susan" <Susan.Bubel@ed.gov<mailto:Susan.Bubel@ed.gov>>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov<mailto:Taneka.Chialastri@ed.gov>>, "Kim, Bora" <Bora.Kim@ed.gov<mailto:Bora.Kim@ed.gov>>, "Foss, Ian" <Ian.Foss@ed.gov<mailto:Ian.Foss@ed.gov>>, "Oldre, Lisa" <Lisa.Oldre@ed.gov<mailto:Lisa.Oldre@ed.gov>>, "Walsh, Mark" <Mark.Walsh@ed.gov<mailto:Mark.Walsh@ed.gov>>, "Battle, Cynthia" <Cynthia.Battle@ed.gov<mailto:Cynthia.Battle@ed.gov>>, CM_Validation <CM_Validation@ed.gov<mailto:CM_Validation@ed.gov>>, "Yorkshire, Nikcola"

<Nikcola.Yorkshire@ed.gov<mailto:Nikcola.Yorkshire@ed.gov>>
> Date: 05/09/2017 08:21 AM
> Subject: [external]RE: FSA CR 2785 - PHEAA NegAm
> _____
>
>
>
> In preparation for our walkthrough on Thursday, FSA wanted to share some preliminary comments/questions we have on the artifacts you submitted. We are requesting that PHEAA take a look at these. In some cases we believe you are missing information in your artifacts that you will need to provide prior to the walkthrough. In others, you will need to explain your processing to help us understand what you are trying to convey. We will need to address all of these during our walkthrough.
>
>
> La Teata Jackson
> Change Management Division
> Federal Student Aid
> U.S. Department of Education
> desk - (202)377-3269
>
> [cid:_2_21A7BB3421A7B670006F08B58525811C]
>
> Nothing is so strong as gentleness and nothing is so gentle as real strength.
> Saint Francis de Sales C.O.
>
>
> -----Original Appointment-----
> From: (b)(4); (b)(6) PHEAA [mailto: @pheaa.org]
> Sent: Wednesday, February 22, 2017 10:54 AM
> To: (b)(4); (b)(6) PHEAA; Kim, Bora; CM_Validation; Battle, Cynthia; (b)(4); (b)(6) PHEAA; (b)(4); (b)(6) PHEAA; Foss, Ian; Jackson, Lateata; Oldre, Lisa; Walsh, Mark; (b)(4); (b)(6) AES; Yorkshire, Nikcola; (b)(4); (b)(6) AES; (b)(4); (b)(6) AES; Bubel, Susan; Chialastri, Taneka; HQ-2B-SE/PHEAA HQ; Conf No FedLoan (b)(4); (b)(6) Telecomm Equipment/PHEAA HQ
> Subject: FSA CR 2785 - PHEAA NegAm
> When: Thursday, May 11, 2017 9:00 AM-12:00 PM (UTC-05:00) Eastern Time (US & Canada).
> Where: HQ-2B-SE/PHEAA HQ@pheaa
>
>
> Adjusting the internal location. No other changes.
> Event Information
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> Event:
> FSA CR 2785 - PHEAA NegAm Validation
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>
> Program:
> FSA
>
>
> Event address for attendees:

>
https://fedloanservicing.webex.com/fedloanservicing/onstage/g.php?MTID=e88d6ea46666adb4e0f2cb1faf106455c<https://urldefense.proofpoint.com/v2/url?u=https-3A__fedloanservicing.webex.com_fedloanservicing_onstage_g.php-3FMTID-3De88d6ea46666adb4e0f2cb1faf106455c&d=DwMFAg&c=9ut6RcAKs8AF_YMM4QH5hA&r=smJn0hbhjsDz8vD5-B8wj7oYl3eEBFdf_O29oaAkidQ&m=1rFAvlTAQ1UTTRkSmXsr9x_ymwJSG0BdZjLD5owWZeE&s=qoWGDdPBcOZQ6k_sWTm7T4FbgUVepASuBiduUKEw7NM&e=>
>
>
> Date and time:
> Tuesday, May 9, 2017 9:00 am
> Eastern Daylight Time (New York, GMT-04:00)
>
>
> Duration:
> 1 hour
>
>
> Event number:
> (b)(6)
>
>
> Event password:
> (b)(6)
>
>
> Audio conference:
> NUMBER: (b)(6)
> ACCESS CODE: (b)(6)
>
>
>
> << File: ecblank.gif >> << File: ATT00001.htm >> << File: ATT00002.htm >> << File: c122738.ics >>
>
> _____
> This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.
>
> The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.
>
> Code:PHEAA
> <ATT00001.jpg>
> <Comments on PHEAA CR 2785 Validation May 2017.docx>
> <Comments on PHEAA CR 2785 Validation May 2017_PHEAA response.docx>

From: Oldre, Lisa
Sent: 7 Oct 2014 08:42:15 -0500
To: Jackson, Lateata;Battle, Cynthia;Foss, Ian
Subject: RE: FSA CR 2785 - PHEAA Question

Cindy this is close to the Aspire question

Let's call it scenario 3

temp hardship forb	7/1/13 - 8/14/13
60 day processing forb	8/15/13 - 5/21/14
IBR	6/1/14 – 5/30/15

Interest Cap Effective **???? at the end of IBR 5/30/15 (what if rejected IBR)**

From: Jackson, Lateata
Sent: Monday, October 06, 2014 4:31 PM
To: Battle, Cynthia; Oldre, Lisa; Foss, Ian
Subject: FW: FSA CR 2785 - PHEAA Question

See the below questions that I thought I had sent previously from PHEAA.

From: Washington, Patrice
Sent: Friday, October 03, 2014 9:21 AM
To: Jackson, Lateata; Whittington, Rochelle; Miller, Debbie; (b)(4); (b)(6) Onley, Nora; Samuels, Shaun; POC Change Request
Cc: Connelly, Tammy; Smith, Lynn; Lamphier, Katharine; Jones, Amber K.; Gibson, Karen
Subject: FW: FSA CR 2785 - PHEAA Question

See below PHEAA is requesting clarification on CR 2785. Please let me know when a response is available.

Thank you,

(b)(4); (b)(6)

Patrice

From: (b)(4); (b)(6) [mailto: @aessuccess.org]
Sent: Friday, October 03, 2014 8:03 AM
To: Jones, Amber K.; Lamphier, Katharine; Smith, Lynn; Washington, Patrice; PHEAACRs; Connelly, Tammy
Cc: (b)(4); (b)(6)
Subject: FSA CR 2785 - PHEAA Question

Tammy,
For FSA CR 2785, our business analyst is requesting clarification on the requirements/scenarios listed below. Please let me know if you need additional information.

Requirement 5068.02 states 'When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11)

Requirement 5069.00 states 'The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back to back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.

Scenarios

- Unsubsidized loan
- All deferments and forbearances are capping except where it is called out.
- Each scenario we would cap all non-negam outstanding interest
- PHEAA's recommendation is listed in bold
-

For each scenario, What effective date should PHEAA use to cap all outstanding interest?

Scenario 1
temp hardship forb 7/1/13 - 8/14/13
deferment 8/15/13 - 5/21/14
temp hardship forb 6/1/14 - 8/31/14
non-capping admin forb 9/01/14 - 10/31/14
Interest Cap Effective 9/1/14

Scenario 2
temp hardship forb 7/1/13 - 8/31/13
non-capping admin forb 9/01/13 - 10/31/13
deferment 11/1/13 - 8/15/14
Interest Cap Effective 8/16/14

Thanks,

(b)(4); (b)(6)

(b)(4); (b)(6)
AES/PHEAA
(b)(6) - Office
- Mobile
(b)(4); @aesSuccess.org

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in the unauthorized use of this message.

From: Bubel, Susan
Sent: 28 Oct 2015 13:11:24 +0000
To: Jackson, Lateata
Cc: Foss, Ian
Subject: RE: FSA CR 2785
Attachments: Questions from PHEAA 100915.docx

Here you go La Teata this should be good to go.
Thanks,
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
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From: Bubel, Susan
Sent: Wednesday, October 28, 2015 8:52 AM
To: Jackson, Lateata
Subject: RE: FSA CR 2785

Let me see if Ian can review my responses to be sure they are valid .

From: Jackson, Lateata
Sent: Tuesday, October 27, 2015 5:52 PM
To: Battle, Cynthia
Cc: Bubel, Susan
Subject: RE: FSA CR 2785

Cindy,
Can these be sent as is??

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid
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Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: Thursday, October 22, 2015 9:16 PM
To: Jackson, Lateata; Battle, Cynthia
Subject: FW: FSA CR 2785

Found the draft answers I sent ☺ Let me know fi you want to discuss before sending.
Thanks,
Sue

From: Bubel, Susan
Sent: Friday, October 09, 2015 1:42 PM
To: Jackson, Lateata; Battle, Cynthia
Subject: RE: FSA CR 2785

Sorry you might need this to see them ☺
TGIF!

From: Bubel, Susan
Sent: Friday, October 09, 2015 1:37 PM
To: Jackson, Lateata; Battle, Cynthia
Subject: RE: FSA CR 2785

Here are my draft answers.

Thanks,

Sue

From: Jackson, Lateata
Sent: Friday, October 09, 2015 1:14 PM
To: Bubel, Susan; Battle, Cynthia
Subject: FW: FSA CR 2785

Additional capitalization questions?

From: Smith, Lynn
Sent: Friday, October 09, 2015 1:09 PM
To: Jackson, Lateata; Onley, Nora; Whittington, Rochelle
Cc: (b)(4); (b)(6) Miller, Debbie; Connelly, Tammy; Gibson, Karen; Allen, Heather; Jones, Amber K.; Washington, Patrice
Subject: FW: FSA CR 2785

This email is being sent on behalf of Tammy Connelly.

Good Afternoon]

Please see PHEAA's questions/request for clarification below and let us know when a response is available

(b)(4); (b)(6)

Thanks.

Lynn Smith

COR

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Friday, October 09, 2015 12:58 PM
To: Allen, Heather; Connelly, Tammy; Galvez, Michelle; Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Smith, Lynn; Washington, Patrice
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: FSA CR 2785

Good Afternoon! As we work through the requirements and design for FSA CR 2785 - Interest Buckets, we identified the following questions and would like clarification:

(b)(5)

(b)(5)

Please let me know if you have any questions or need additional information.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | (b)(6)

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Code:PHEAA

Page 2066

Withheld pursuant to exemption

(b)(4) ; (b)(6)

of the Freedom of Information and Privacy Act

Page 2067

Withheld pursuant to exemption

(b)(4) ; (b)(6)

of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 28 Oct 2015 13:07:56 +0000
To: Foss, Ian
Cc: Jackson, Lateata
Subject: RE: FSA CR 2785

Will do ☺
Thanks,
Sue

From: Foss, Ian
Sent: Wednesday, October 28, 2015 9:06 AM
To: Bubel, Susan
Cc: Jackson, Lateata
Subject: RE: FSA CR 2785

I agree with your responses, (b)(5)

(b)(5)

From: Bubel, Susan
Sent: Wednesday, October 28, 2015 8:54 AM
To: Foss, Ian
Cc: Jackson, Lateata
Subject: FW: FSA CR 2785

Ian,
Since Cindy is out, can you do a quick sanity check on my responses so we can send them off to PHEAA?
Thanks,
Sue

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Cc: (b)(4); (b)(6) Miller, Debbie; Connelly, Tammy; Gibson, Karen; Allen, Heather; Jones, Amber K.; Washington, Patrice
Subject: FW: FSA CR 2785

This email is being sent on behalf of Tammy Connelly.

Good Afternoon]

Please see PHEAA's questions/request for clarification below and let us know when a response is available

(b)(4); (b)(6)

Thanks.

Lynn Smith

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Sent: Friday, October 09, 2015 12:58 PM
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(b)(5)

Please let me know if you have any questions or need additional information.

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | (b)(6)

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Code:PHEAA

From: Jackson, Lateata
Sent: 28 Oct 2015 13:57:10 +0000
To: Bubel, Susan
Cc: Foss, Ian
Subject: RE: FSA CR 2785

Sending it now…

From: Bubel, Susan
Sent: Wednesday, October 28, 2015 9:11 AM
To: Jackson, Lateata
Cc: Foss, Ian
Subject: RE: FSA CR 2785

Here you go La Teata this should be good to go.
Thanks,
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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desk - (202)377-3269

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This email is being sent on behalf of Tammy Connelly.

Good Afternoon]

Please see PHEAA's questions/request for clarification below and let us know when a response is available

(b)(4); (b)(6)

Thanks.

Lynn Smith

COR

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Friday, October 09, 2015 12:58 PM
To: Allen, Heather; Connelly, Tammy; Galvez, Michelle; Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Smith, Lynn; Washington, Patrice
Cc: PHEAACRs;(b)(4); (b)(6)
Subject: FSA CR 2785

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(b)(5)

Please let me know if you have any questions or need additional information.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | (b)(6)

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Code:PHEAA

From: Jackson, Lateata
Sent: 1 Jun 2017 13:09:06 +0000
To: OSLA OSLA;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Subject: RE: FSA CR2785

Today's walkthrough with OSLA is cancelled. We will reschedule for another time. Possibly for tomorrow.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

-----Original Appointment-----
From: OSLA OSLA [mailto:servicedesk@osla.org]
Sent: Thursday, February 02, 2017 3:36 PM
To: OSLA OSLA; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Subject: FW: FSA CR2785
When: Thursday, June 01, 2017 12:00 PM-1:00 PM (UTC-06:00) Central Time (US & Canada).
Where: https://osla.webex.com/osla

-----Original Appointment-----
From: OSLA OSLA []
Sent: Thursday, February 02, 2017 3:36 PM
To: OSLA OSLA; Jackson, Lateata
Subject: FSA CR2785
When: Thursday, June 01, 2017 12:00 PM-1:00 PM Central Time.
Where: https://osla.webex.com/osla

Join WebEx meeting
Meeting number (access code): (b)(6)
Meeting password: (b)(6)

Join by phone

1-877-668-4493 Call-in toll-free number (US/Canada)

1-650-479-3208 Call-in toll number (US/Canada)

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Can't join the meeting?

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From: Foss, Ian
Sent: 8 Jan 2016 20:37:36 +0000
To: Garofano, Tamy;Raling, Patricia
Subject: RE: GA - Interest Capitalization on Rehabilitated Loans

Can someone forward me the meeting? It seems to have fallen off my calendar.

From: Garofano, Tamy
Sent: Friday, January 08, 2016 3:00 PM
To: Raling, Patricia
Cc: Foss, Ian
Subject: RE: GA - Interest Capitalization on Rehabilitated Loans

At this point I am available; however, I have a meeting at 1 that may run over. Ian, are you available just in case I am running late?

Tamy

From: Raling, Patricia
Sent: Friday, January 08, 2016 2:31 PM
To: Garofano, Tamy
Subject: RE: GA - Interest Capitalization on Rehabilitated Loans

Thanks Tamy, We can discuss at Monday's meeting. Will put this on the agenda – will you or be able to attend to lead this discussion?

From: Garofano, Tamy
Sent: Friday, January 08, 2016 2:22 PM
To: Raling, Patricia
Cc: Foss, Ian
Subject: GA - Interest Capitalization on Rehabilitated Loans

Patricia,

We seem to recall that we made a decision to capitalize interest on loans that we receive from a GA as part of a rehabilitation project. While a GA might be capitalizing the interest, and we can't control that as part of this project, there is no basis for us to capitalize the interest. Therefore, we need to be sure that Great Lakes does not capitalize interest when they accept assignment of the loan from the GA.

Thanks,

Tamy and Ian

Tamy Garofano
Program Specialist, Policy Liaison and Implementation
FSA
(202)377-4075 – office
Tamy.garofano@ed.gov

From: Garofano, Tamy
Sent: 12 Jan 2016 19:18:00 +0000
To: Foss, Ian
Subject: RE: GA Capitalization

Sorry - I have been out of pocket and when I got back you had handled everything...thank you...

I will forward to Rachel.

Tamy

Tamy Garofano
Program Specialist
Policy Liaison and Implementation
Federal Student Aid
U.S. Department of Education
202-377-4075

-----Original Message-----
From: Foss, Ian
Sent: Tuesday, January 12, 2016 12:26 PM
To: Garofano, Tamy
Subject: GA Capitalization

We successfully added the GA interest capitalization issue to the negotiated rulemaking agenda.

Also, there's a meeting scheduled for Friday that you got invited to. Can you forward it to Rachel Kane? I can't forward from my iPad.

From: (b)(4); (b)(6)
Sent: 12 Jan 2016 15:48:37 +0000
To: Foss, Ian
Cc: Bennett, Rich;Raling, Patricia;Garofano, Tamy;(b)(4); (b)(6)
Subject: RE: GA rehab interest capitalization issue #49

Ian,
Thank you for the clarification. That is the direction we will take. I appreciate the additional clarification.
Jamie

(b)(4); (b)(6)

(b)(4); (b)(6) | Manager – Servicing Operations
(b)(6) | Mobile (b)(6) | F: (b)(6) | @glhec.org
Great Lakes Educational Loan Services, Inc.

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Tuesday, January 12, 2016 8:51 AM
To: (b)(4); (b)(6)
Cc: Bennett, Rich; Raling, Patricia; Garofano, Tamy; (b)(4); (b)(6)
Subject: Re: GA rehab interest capitalization issue #49

(b)(4);
I'm saying that all outstanding interest would capitalize at the expiration of the reduced-payment forbearance, not simply the interest that accrued from the date that the loan is booked to the date that the capitalization event occurs (when the forbearance ends).
I don't think capitalization is ever fair (or necessary), but a non-capitalizing forbearance only applies in very limited circumstances, and this isn't one of them.
While it's true that we're placing them in this forbearance by default, the borrower can always waive the forbearance.
Ian

On Jan 12, 2016, at 09:47, (b)(4); (b)(6) @glhec.org> wrote:

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>
> ---
>
> Ian,
> So let me just clarify what I understand you to say. The interest that accrued prior to booking should not capitalize at first disclosure, however the interest that accrues from the date the loan is booked up until the expiration of the reduced payment forb should, correct? We had understood it that the interest that accrues while the borrower is in the low payment forb should not capitalize because the borrower does not have a choice if they go in to that forb or not. We are automatically placing them on that forb while the borrower selects a repayment plan. It doesn't seem fair to the borrower to capitalize that interest.
> Thank you,
> (b)(4); (b)(6)
>
> (b)(4); (b)(6) | Manager – Servicing Operations
> (b)(6) | Mobile (b)(6) | F: (b)(6) | @glhec.org
> Great Lakes Educational Loan Services, Inc.

(b)(4); (b)(6)

(b)(4); (b)(6)

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Tuesday, January 12, 2016 5:20 AM
To: Bennett, Rich
Cc: Raling, Patricia; (b)(4); (b)(6) Garofano, Tamy
Subject: Re: GA rehab interest capitalization issue #49

Interest will capitalize at the expiration of the reduced-payment forbearance. Interest will not capitalize based on the disclosure about the interest that accrued prior to booking.

On Jan 12, 2016, at 06:05, Bennett, Rich <Rich.Bennett@ed.gov> wrote:

> Patricia and Ian,
> Great Lakes asked me to add the following 2 questions to GA rehab interest capitalization issue #49:
>
> 1. Will interest be capitalized when they send a disclosure for the interest accrued prior to booking the loan?
> 2. Will interest be capitalized when they send a disclosure for the interest accrued during the 90 day low pay forbearance?
>
> Rich

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From: Raling, Patricia
Sent: 12 Jan 2016 12:15:13 +0000
To: Foss, Ian
Cc: Bennett, Rich;Battle, Cynthia;Garofano, Tamy;Roca-Baker, Angela
Subject: RE: GA rehab interest capitalization issue #49

(b)(4); (b)(6)

Thanks Ian, I will add GLs questions and your response to the Q&A log.

From: Foss, Ian
Sent: Tuesday, January 12, 2016 6:20 AM
To: Bennett, Rich
Cc: Raling, Patricia; [redacted]@glhec.org; Garofano, Tamy
Subject: Re: GA rehab interest capitalization issue #49

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>
> Rich

From: Smith, Larry
Sent: 12 Jan 2016 17:15:00 +0000
To: Foss, Ian
Cc: Roca-Baker, Angela;Bennett, Rich
Subject: RE: GA rehab interest capitalization issue #49

Thanks Ian. I'll set something up for a half hour on Friday.

From: Foss, Ian
Sent: Tuesday, January 12, 2016 11:59 AM
To: Smith, Larry
Cc: Roca-Baker, Angela; Bennett, Rich
Subject: Re: GA rehab interest capitalization issue #49

I'm happy to discuss. I am at negotiated rulemaking until Friday. So, Friday is my only day of availability this week.

(b)(5)

On Jan 12, 2016, at 11:54, Smith, Larry <Larry.Smith@ed.gov> wrote:

> Ian,
> In FY14 there was an audit finding re: mgmt. decision making here at FSA. As part of a CAP for that issue, an agreement was reached between BizOps and Finance on how to properly document and vet these decisions going forward. What does that have to do with this INTCAP issue? A mgmt. decision was made to implement the program in accordance with how rehabs are handled by the GAs/Lenders. The GA/Lender rehab process capitalizes interest when the loan is rehabbed to the lender and that is the requirement FSA provided to Great Lakes. Recently you have weighed in that FSA doesn't have a legal basis for capitalizing interest therefore we need to change that requirement. Since the mgmt. decision was previously made and implemented, we need to go thru our agreed upon process of documenting and authorizing this change. Once this is completed we can move forward with the necessary system changes.
> Do you have time this week to have a discussion on this INTCAP issue? A couple of items to discuss: You have stated that ED/FSA has no legal basis for capitalizing interest. Is there language preventing FSA from capitalizing interest in this scenario? Do the GA/Lenders have a legal basis to capitalize? If not, will FSA also bar interest capitalization on those rehab sales?
> Thanks,
> Larry
>
> **From:** Bennett, Rich
> **Sent:** Tuesday, January 12, 2016 9:54 AM
> **To:** Smith, Larry
> **Subject:** FW: GA rehab interest capitalization issue #49

From: Foss, Ian
Sent: Tuesday, January 12, 2016 9:51 AM
To: (b)(4); (b)(6) @glhec.org
Cc: Bennett, Rich; Raling, Patricia; Garofano, Tamy; (b)(4); (b)(6)
Subject: Re: GA rehab interest capitalization issue #49

(b)(4); (b)(6)

I'm saying that all outstanding interest would capitalize at the expiration of the reduced-payment forbearance, not simply the interest that accrued from the date that the loan is booked to the date that the capitalization event occurs (when the forbearance ends).
I don't think capitalization is ever fair (or necessary), but a non-capitalizing forbearance only applies in very limited circumstances, and this isn't one of them.
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Thank you,
Jamie

(b)(4); (b)(6)

(b)(4); (b)(6) Manager – Servicing Operations
(b)(6) |Mobile (b)(6) | F: (b)(6) | @glhec.org
Great Lakes Educational Loan Services, Inc.

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2. Will interest be capitalized when they send a disclosure for the interest accrued during the 90 day low pay forbearance?

Rich

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From: Battle, Cynthia
Sent: 17 Feb 2017 19:41:19 +0000
To: Jackson, Lateata;Kim, Bora;Foss, Ian;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan;Yorkshire, Nikcola
Subject: RE: Great Lakes - CR 2785 Changes

Okay – thanks.

From: Jackson, Lateata
Sent: Friday, February 17, 2017 1:31 PM
To: Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Yorkshire, Nikcola
Subject: Great Lakes - CR 2785 Changes

Team,

Please note that Great Lakes has requested a change in their scheduled for CR 2785. They are proposing the below. Please do not anticipate artifacts to be sent to you this coming Monday 2/20. For now, their dates are proposed. I will get back with you all on final dates for Great Lakes.

CR 2785 Phase 2 for Servicers

Servicer	Implementation Date	Artifact Delivery Date	FSA Walkthru
Great Lakes	4/5/2017	3/1/2017	3/10/2017 - 1pm est
Navient	2/18/2017	2/6/2017	2/10/2017 - 1pm est
Nelnet	6/23/2017	5/24/2017 - 4pm est	5/31/2017 - 9am est
EdFinancial	6/23/2017	5/24/2017 - 4pm est	5/31/2017 - 1pm est
Granite State	6/23/2017	5/24/2017 - 4pm est	6/1/2017 - 9am est
OSLA	6/23/2017	5/24/2017 - 4pm est	6/1/2017 - 1pm est
PHEAA	1/28/2017	1/16/2017	1/23/2017 - 9am est
MOHELA	1/28/2017	1/16/2017	1/23/2017 - 1pm est
CornerStone	1/28/2017	1/23/2017	1/25/2017 - 1pm est

La Teata Jackson
Change Management Division
Federal Student Aid

U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: 11 Apr 2017 13:34:04 +0000
To: Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan;Yorkshire, Nikcola
Subject: RE: Great Lakes - CR 2785 Changes

Just another update for the team. Great Lakes has requested an Implementation Date change. Please see the most current dates below:

CR 2785 Phase 2 for Servicers

Servicer	Implementation Date	Artifact Delivery Date	FSA Walkthru
Great Lakes	5/3/2017	3/1/2017	3/22/2017 - 1pm est
Navient	2/18/2017	2/6/2017	2/10/2017 - 1pm est
Nelnet	6/23/2017	5/24/2017 - 4pm est	5/31/2017 - 9am est
EdFinancial	6/23/2017	5/24/2017 - 4pm est	5/31/2017 - 1pm est
Granite State	6/23/2017	5/24/2017 - 4pm est	6/1/2017 - 9am est
OSLA	6/23/2017	5/24/2017 - 4pm est	6/1/2017 - 1pm est
PHEAA 1st imp	1/28/2017	1/16/2017	1/23/2017 - 9am est
PHEAA 2nd imp	5/8/2017	5/4/2015	5/9/2017 - 9am est
MOHELA	1/28/2017	1/16/2017	1/23/2017 - 1pm est
CornerStone	1/28/2017	1/23/2017	1/25/2017 - 1pm est

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Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Friday, February 17, 2017 1:31 PM
To: Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Yorkshire, Nikcola
Subject: Great Lakes - CR 2785 Changes

Team,

Please note that Great Lakes has requested a change in their scheduled for CR 2785. They are proposing the below. Please do not anticipate artifacts to be sent to you this coming Monday 2/20. For now, their dates are proposed. I will get back with you all on final dates for Great Lakes.

CR 2785 Phase 2 for Servicers

Servicer	Implementation Date	Artifact Delivery Date	FSA Walkthru
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OSLA	6/23/2017	5/24/2017 - 4pm est	6/1/2017 - 1pm est
PHEAA	1/28/2017	1/16/2017	1/23/2017 - 9am est
MOHELA	1/28/2017	1/16/2017	1/23/2017 - 1pm est
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Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6)
Sent: 22 Mar 2017 12:33:19 +0000
To: Bubel, Susan;Brown, Jamie;CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark
Subject: RE: Great Lakes CR2785 FSA Walkthrough

Yes. 1-5:30 EST. Thanks!!

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Wednesday, March 22, 2017 7:11 AM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark
Subject: RE: Great Lakes CR2785 FSA Walkthrough

Thanks and can I confirm, we have the meeting scheduled for 1- 5:30 EST?

I have only a few questions on the artifacts I will send to you folks later this morning.

Talk to you all this afternoon.

Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Tuesday, March 21, 2017 6:13 PM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Subject: RE: Great Lakes CR2785 FSA Walkthrough

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Hello!

Attached please find a WinZip file containing the following documents for tomorrow's walkthrough scheduled from 12:00 – 4:30 PM CST:

- Great Lakes CR2785 Walkthrough Agenda
- CR2785 FSA Walkthrough Supplemental Doc
- Validation System Overview

We will use these documents to facilitate the meeting tomorrow. Please note that we have time allocated for Validation Artifact questions. If you have specific items regarding the Validation Artifacts we sent on March 1st, please forward for review. If not, we can take questions then and respond or take away for follow up.

(b)(4); (b)(6)

Thanks!

-----Original Appointment-----
From: (b)(4); (b)(6)
Sent: Thursday, February 23, 2017 10:44 AM
To: (b)(4); (b)(6); CM_Validation@ed.gov; Lateata.Jackson@ed.gov; Nikcola.Yorkshire@ed.gov; Bora.Kim@ed.gov; Ian.Foss@ed.gov; Cynthia.Battle@ed.gov; Taneka.Chialastri@ed.gov; Lisa.Oldre@ed.gov; Mark.Walsh@ed.gov; Bubel, Susan
Subject: Great Lakes CR2785 FSA Walkthrough
When: Wednesday, March 22, 2017 12:00 PM-4:30 PM (UTC-06:00) Central Time (US & Canada).
Where: WebEx

CR2785 Interest Capping walkthrough with FSA. Agenda will be provided before the meeting.

WebEx Info:

Great Lakes CR2785 Walkthrough with FSA

Join WebEx Meeting

Meeting number (access code): (b)(6)
Meeting password: (b)(6)
Host key: (b)(6)

Join by phone
1-866-469-3239 Call-in toll-free number (US/Canada)
1-650-429-3300 Call-in toll number (US/Canada)

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From: (b)(4); (b)(6)
Sent: 21 Mar 2017 22:36:19 +0000
To: (b)(4); (b)(6) ;CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Subject: RE: Great Lakes CR2785 FSA Walkthrough

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Password is (b)(6)

From: (b)(4); (b)(6)
Sent: Tuesday, March 21, 2017 5:12 PM
To: (b)(4); (b)(6) 'CM_Validation@ed.gov'; 'Lateata.Jackson@ed.gov'; 'Nikcola.Yorkshire@ed.gov'; 'Bora.Kim@ed.gov'; 'Ian.Foss@ed.gov'; 'Cynthia.Battle@ed.gov'; 'Taneka.Chialastri@ed.gov'; 'Lisa.Oldre@ed.gov'; 'Mark.Walsh@ed.gov'; 'Bubel, Susan'
Subject: RE: Great Lakes CR2785 FSA Walkthrough

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(b)(4); (b)(6)

Thanks! (b)(4); (b)(6)

<< File: Great Lakes CR2785 Walkthrough.zip >>

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From: (b)(4); (b)(6)
Sent: Thursday, February 23, 2017 10:44 AM
To: (b)(4); (b)(6) CM_Validation@ed.gov; Lateata.Jackson@ed.gov; Nikcola.Yorkshire@ed.gov; Bora.Kim@ed.gov; Ian.Foss@ed.gov; Cynthia.Battle@ed.gov; Taneka.Chialastri@ed.gov; Lisa.Oldre@ed.gov; Mark.Walsh@ed.gov; Bubel, Susan
Subject: Great Lakes CR2785 FSA Walkthrough
When: Wednesday, March 22, 2017 12:00 PM-4:30 PM (UTC-06:00) Central Time (US & Canada).
Where: WebEx

CR2785 Interest Capping walkthrough with FSA. Agenda will be provided before the meeting.

WebEx Info:

Great Lakes CR2785 Walkthrough with FSA

Join WebEx Meeting

Meeting number (access code): (b)(6)
Meeting password: (b)(6)
Host key: (b)(6)

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From: (b)(4); (b)(6)
Sent: 21 Mar 2017 22:13:17 +0000
To: (b)(4); (b)(6) ;CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Subject: RE: Great Lakes CR2785 FSA Walkthrough
Attachments: Great Lakes CR2785 Walkthrough.zip

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Subject: Great Lakes CR2785 FSA Walkthrough
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From: Bubel, Susan
Sent: 22 Mar 2017 14:48:36 +0000
To: (b)(4); (b)(6) CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark
Subject: RE: Great Lakes CR2785 FSA Walkthrough

Password to open: (b)(6)

From: Bubel, Susan
Sent: Wednesday, March 22, 2017 10:48 AM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark
Subject: RE: Great Lakes CR2785 FSA Walkthrough

Good Morning here are FSA's question on the artifacts.

Talk to you all this afternoon.

Password to follow.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: Bubel, Susan
Sent: Wednesday, March 22, 2017 8:11 AM
To: (b)(4); (b)(6) CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark
Subject: RE: Great Lakes CR2785 FSA Walkthrough

Thanks and can I confirm, we have the meeting scheduled for 1- 5:30 EST?

I have only a few questions on the artifacts I will send to you folks later this morning.

Talk to you all this afternoon.

Sue

From: (b)(4); (b)(6) James [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Tuesday, March 21, 2017 6:13 PM
To: (b)(4); (b)(6); CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Subject: RE: Great Lakes CR2785 FSA Walkthrough

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(b)(4); (b)(6)

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To: (b)(4); (b)(6); CM_Validation@ed.gov; Lateata.Jackson@ed.gov; Nikcola.Yorkshire@ed.gov; Bora.Kim@ed.gov; Ian.Foss@ed.gov; Cynthia.Battle@ed.gov; Taneka.Chialastri@ed.gov; Lisa.Oldre@ed.gov; Mark.Walsh@ed.gov; Bubel, Susan
Subject: Great Lakes CR2785 FSA Walkthrough
When: Wednesday, March 22, 2017 12:00 PM-4:30 PM (UTC-06:00) Central Time (US & Canada).
Where: WebEx

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WebEx Info:

Great Lakes CR2785 Walkthrough with FSA

Join WebEx Meeting

Meeting number (access code): (b)(6)
Meeting password: (b)(6)
Host key: (b)(6)

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From: (b)(4); (b)(6)
Sent: 11 May 2017 23:04:01 +0000
To: Bubel, Susan
Cc: (b)(4); (b)(6);Jackson, Lateata;CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Servicing Operations;(b)(4); (b)(6)@glhec;(b)(4); (b)(6)
Subject: Re: Great Lakes CR2785 Interest Capping
Attachments: image001.png

Sue,

Thank you very much for your response. Below I have included answers your questions:

Sent from my iPhone

On May 11, 2017, at 1:13 PM, Bubel, Susan <Susan.Bubel@ed.gov> wrote:

(b)(4); (b)(6)

> Good Afternoon,
>
> I received a call from [redacted] on this topic this morning, (sorry I have been in back to back meetings and not had an opportunity to return the call). I want to be sure we (FSA) fully understand your request/ proposal.
>
> According to the voicemail I received Great Lakes is seeing a high volume of small capping adjustments potentially due to rounding that is causing borrowers confusion.

Great Lakes: Correct

> Great Lakes is asking if they can have a tolerance (for example any capping adjustments $1 or less) that Great Lakes would not need to generate notification.

Great Lakes: Correct

> On the voicemail it sounded like you may also be asking for a tolerance to process the capitalization adjustments, but was not really clear.

Great Lakes: Yes, that is correct

Do you folks have a tolerance in mind? Do you have a volume of impacted borrowers/ loans?

Great Lakes:

Since implementation on May 3rd , we have 2,884 accounts with caps less than $5.00 (2,567 borrowers) and an additional 1,245 caps $5.00 to $10.00 (1,206 borrowers).

$.01 cent to $.99 cents: 963 borrowers
$1.00 to $4.99: 1,604 borrowers
$5.00 à $9.99: 1,206 borrowers

Total: 3,773 borrowers

Based on this information, (b)(5)

(b)(5)

(b)(5) Thank you for your consideration.

Thanks in advance for the clarification. After we receive clarification we will provide a response/ guidance.

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@glhec.org]
Sent: Monday, May 8, 2017 12:12 PM
To: Jackson, Lateata; CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations; (b)(4); (b)(6)
Subject: RE: Great Lakes CR2785 Interest Capping

Hi Lateata,

Can you please advise whether or not the capitalized interest notification should be sent to every borrower regardless of amount or if it is acceptable to have a tolerance?

Thank you,

(b)(4); (b)(6)
(b)(4); (b)(6)
Great Lakes Educational Loan Services, Inc.
(b)(6)
(b)(4); (b)(6)@glhec.org

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, May 03, 2017 8:45 AM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping

With the below information and the artifacts and walkthrough provided FSA approves Great Lakes artifacts and Compliance Statement for this CR. Note that you will need to follow-up with FSA after you implement #1 below on June 7, 2017.

Lateata,

Below is a response to the two items you were looking for a follow up on:

(b)(5)

(b)(5)

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@glhec.org]
Sent: Wednesday, March 01, 2017 5:46 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Supporting Documentation

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following supporting documentation:

- New Correspondence
- Training Materials
- System Documentation

(b)(4); (b)(6)

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)

I/S Dev – Client & Internal Experience
Great Lakes Higher Education Corporation

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From: Foss, Ian
Sent: 11 May 2017 17:08:26 +0000
To: Bubel, Susan;Battle, Cynthia;Chialastri, Taneka
Cc: Jackson, Lateata
Subject: Re: Great Lakes CR2785 Interest Capping

(b)(5)

From: Bubel, Susan
Sent: Thursday, May 11, 2017 12:46:00 PM
To: Foss, Ian; Battle, Cynthia; Chialastri, Taneka
Cc: Jackson, Lateata
Subject: RE: Great Lakes CR2785 Interest Capping

(b)(5)

From: Foss, Ian
Sent: Thursday, May 11, 2017 12:46 PM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Cc: Jackson, Lateata
Subject: Re: Great Lakes CR2785 Interest Capping

(b)(5)

From: Bubel, Susan
Sent: Thursday, May 11, 2017 12:31:25 PM
To: Foss, Ian; Battle, Cynthia; Chialastri, Taneka
Cc: Jackson, Lateata
Subject: RE: Great Lakes CR2785 Interest Capping

(b)(4); (b)(6)

Thanks for this information. I just got a voicemail from and she is now asking if (b)(5)

(b)(5)

Thanks,

Sue

From: Foss, Ian
Sent: Thursday, May 11, 2017 12:25 PM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Cc: Jackson, Lateata
Subject: Re: Great Lakes CR2785 Interest Capping

(b)(5)

From: Bubel, Susan
Sent: Monday, May 8, 2017 2:31:43 PM
To: Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Cc: Jackson, Lateata
Subject: RE: Great Lakes CR2785 Interest Capping

(b)(5)

Sue

From: Jackson, Lateata
Sent: Monday, May 08, 2017 2:27 PM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: FW: Great Lakes CR2785 Interest Capping

A question from Great Lakes

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Monday, May 08, 2017 12:12 PM
To: Jackson, Lateata; CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan

Cc: (b)(4); (b)(6) Servicing Operations; (b)(4); (b)(6)
Subject: RE: Great Lakes CR2785 Interest Capping

Hi Lateata,

(b)(5)

Thank you,

(b)(4); (b)(6)
(b)(4); (b)(6)
Great Lakes Educational Loan Services, Inc.
(b)(6)
@glhec.org

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, May 03, 2017 8:45 AM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping

With the below information and the artifacts and walkthrough provided FSA approves Great Lakes artifacts and Compliance Statement for this CR. Note that you will need to follow-up with FSA after you implement #1 below on June 7, 2017.

Lateata,

Below is a response to the two items you were looking for a follow up on:

(b)(5)

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Wednesday, March 01, 2017 5:46 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); Jamie; Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Supporting Documentation

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following supporting documentation:

- New Correspondence
- Training Materials
- System Documentation

(b)(4); (b)(6)

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you -

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
I/S Dev – Client & Internal Experience
Great Lakes Higher Education Corporation

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From: (b)(4); (b)(6)
Sent: 5 May 2017 16:58:24 +0000
To: (b)(4); (b)(6) Jackson, Lateata; (b)(4); (b)(6) CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: Servicing Operations
Subject: RE: Great Lakes CR2785 Interest Capping

PW= (b)(6)

Thanks!
(b)(4); (b)(6)

From: (b)(4); (b)(6)
Sent: Friday, May 05, 2017 11:58 AM
To: (b)(4); (b)(6) 'Jackson, Lateata'; (b)(4); (b)(6) 'CM_Validation'; 'Yorkshire, Nikcola'; 'Kim, Bora'; 'Foss, Ian'; 'Battle, Cynthia'; 'Chialastri, Taneka'; 'Oldre, Lisa'; 'Walsh, Mark'; 'Bubel, Susan'
Cc: Servicing Operations
Subject: RE: Great Lakes CR2785 Interest Capping

Attached, please find screenshots of the Suppressed Interest Subsidy Message which is a follow up to item #1 in the below email.

Password to follow in a separate email.

Thank you,

(b)(4); (b)(6)
(b)(4); (b)(6)
Great Lakes Educational Loan Services, Inc.

☎ (b)(6)
✉ @glhec.org

From: (b)(4); (b)(6)
Sent: Wednesday, May 03, 2017 6:11 PM
To: 'Jackson, Lateata'; (b)(4); (b)(6) 'CM_Validation'; 'Yorkshire, Nikcola'; 'Kim, Bora'; 'Foss, Ian'; 'Battle, Cynthia'; 'Chialastri, Taneka'; 'Oldre, Lisa'; 'Walsh, Mark'; 'Bubel, Susan'
Cc: Servicing Operations
Subject: RE: Great Lakes CR2785 Interest Capping

Great Lakes confirms receipt and appreciates the approval. We have successfully implemented CR#2785 today.

(b)(4); (b)(6) | **Manager – Servicing Operations**

(b)(4); (b)(6)

☎ (b)(6) |Mobile (b)(6) | F: (b)(6) | ✉ @glhec.org
Great Lakes Educational Loan Services, Inc.

GREAT LAKES

50 CELEBRATING 50 YEARS OF BRIGHTER FUTURES 1967–2017

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, May 03, 2017 8:45 AM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping

With the below information and the artifacts and walkthrough provided FSA approves Great Lakes artifacts and Compliance Statement for this CR. Note that you will need to follow-up with FSA after you implement #1 below on June 7, 2017.

Lateata,

Below is a response to the two items you were looking for a follow up on:

(b)(5)

(b)(5)

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Wednesday, March 01, 2017 5:46 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Supporting Documentation

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Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following supporting documentation:

- New Correspondence
- Training Materials
- System Documentation

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you (b)(4); (b)(6)

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
I/S Dev – Client & Internal Experience
Great Lakes Higher Education Corporation

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From: (b)(4); (b)(6)
Sent: 5 May 2017 16:57:38 +0000
To: (b)(4); (b)(6) Jackson, Lateata; (b)(4); (b)(6) CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: Servicing Operations
Subject: RE: Great Lakes CR2785 Interest Capping
Attachments: Screenshots of Suppressed Interest Subsidy Message.zip

Attached, please find screenshots of the Suppressed Interest Subsidy Message which is a follow up to item #1 in the below email.

Password to follow in a separate email.

Thank you,

(b)(4); (b)(6)
(b)(4); (b)(6)
Great Lakes Educational Loan Services, Inc.
☎ (b)(6)
✉ @glhec.org

From: (b)(4); (b)(6)
Sent: Wednesday, May 03, 2017 6:11 PM
To: 'Jackson, Lateata'; (b)(4); (b)(6) CM_Validation'; 'Yorkshire, Nikcola'; 'Kim, Bora'; 'Foss, Ian'; 'Battle, Cynthia'; 'Chialastri, Taneka'; 'Oldre, Lisa'; 'Walsh, Mark'; 'Bubel, Susan'
Cc: Servicing Operations
Subject: RE: Great Lakes CR2785 Interest Capping

Great Lakes confirms receipt and appreciates the approval. We have successfully implemented CR#2785 today.

(b)(4); (b)(6)
(b)(4); (b)(6) | Manager – Servicing Operations
☎ (b)(6) Mobile (b)(6) | F: (b)(6) | ✉ @glhec.org
Great Lakes Educational Loan Services, Inc.



From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, May 03, 2017 8:45 AM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping

With the below information and the artifacts and walkthrough provided FSA approves Great Lakes artifacts and Compliance Statement for this CR. Note that you will need to follow-up with FSA after you implement #1 below on June 7, 2017.

Lateata,

Below is a response to the two items you were looking for a follow up on:

(b)(5)

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Wednesday, March 01, 2017 5:46 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Supporting Documentation

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- System Documentation

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Thank you –(b)(4); (b)(6)

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
I/S Dev – Client & Internal Experience
Great Lakes Higher Education Corporation

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From: Bubel, Susan
Sent: 1 Jun 2017 16:47:55 +0000
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6) ;Jackson, Lateata;CM_Validation;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Servicing Operations;(b)(4); (b)(6) @glhec;(b)(4); (b)(6)
Subject: RE: Great Lakes CR2785 Interest Capping

Good Afternoon Jamie,

A tolerance is not permitted for capitalization by FSA.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION | PROUD SPONSOR of the AMERICAN MIND™

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @glhec.org]
Sent: Wednesday, May 24, 2017 4:04 PM
To: Bubel, Susan
Cc: (b)(4); (b)(6) Jackson, Lateata; CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Servicing Operations; (b)(4); (b)(6) @glhec; (b)(4); (b)(6)
Subject: RE: Great Lakes CR2785 Interest Capping
Importance: High

(b)(4); (b)(6)

Sue,

Great Lakes if following up to see if FSA has had an opportunity to review this email and our proposed solution? We continue to have a large number of small capitalized interest and wish to set a threshold as soon as possible.

Thank you,
(b)(4); (b)(6)

From: (b)(4); (b)(6)
Sent: Thursday, May 11, 2017 6:04 PM
To: Bubel, Susan
Cc: (b)(4); (b)(6) Jackson, Lateata; CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Servicing Operations; (b)(4); (b)(6)

(b)(4); (b)(6)

Subject: Re: Great Lakes CR2785 Interest Capping

Sue,

Thank you very much for your response. Below I have included answers your questions:

Sent from my iPhone

On May 11, 2017, at 1:13 PM, Bubel, Susan <Susan.Bubel@ed.gov> wrote:

(b)(4); (b)(6)

> Good Afternoon,
>
> I received a call from [redacted] on this topic this morning, (sorry I have been in back to back meetings and not had an opportunity to return the call). I want to be sure we (FSA) fully understand your request/ proposal.
>
> According to the voicemail I received Great Lakes is seeing a high volume of small capping adjustments potentially due to rounding that is causing borrowers confusion.

Great Lakes: Correct

Great Lakes is asking if they can have a tolerance (for example any capping adjustments $1 or less) that Great Lakes would not need to generate notification.

Great Lakes: Correct

On the voicemail it sounded like you may also be asking for a tolerance to process the capitalization adjustments, but was not really clear.

Great Lakes: Yes, that is correct

Do you folks have a tolerance in mind? Do you have a volume of impacted borrowers/ loans?

Great Lakes:

Since implementation on May 3rd , we have 2,884 accounts with caps less than $5.00 (2,567 borrowers) and an additional 1,245 caps $5.00 to $10.00 (1,206 borrowers).

$.01 cent to $.99 cents: 963 borrowers
$1.00 to $4.99: 1,604 borrowers
$5.00 à $9.99: 1,206 borrowers

Total: 3,773 borrowers

Based on this information, we would like to recommend (b)(5)
(b)(5)
(b)(5) Thank you for your consideration.

Thanks in advance for the clarification. After we receive clarification we will provide a response/ guidance.

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
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From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@glhec.org]
Sent: Monday, May 8, 2017 12:12 PM
To: Jackson, Lateata; CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations; (b)(4); (b)(6)
Subject: RE: Great Lakes CR2785 Interest Capping

Hi Lateata,

Can you please advise whether or not the capitalized interest notification should be sent to every borrower regardless of amount or if it is acceptable to have a tolerance?

Thank you,

(b)(4); (b)(6)

(b)(4); (b)(6)

Great Lakes Educational Loan Services, Inc.

(b)(6)

(b)(6)glhec.org

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, May 03, 2017 8:45 AM
To: (b)(4); (b)(6) CM_Validation; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping

With the below information and the artifacts and walkthrough provided FSA approves Great Lakes artifacts and Compliance Statement for this CR. Note that you will need to follow-up with FSA after you implement #1 below on June 7, 2017.

Lateata,

Below is a response to the two items you were looking for a follow up on:

(b)(5)

(b)(5)

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @glhec.org]
Sent: Wednesday, March 01, 2017 5:46 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Supporting Documentation

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Hello!

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- New Correspondence
- Training Materials
- System Documentation

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you -(b)(4); (b)(6)

(b)(4); (b)(6)
Work: (b)(6)
Cell: (b)(6)
I/S Dev – Client & Internal Experience
Great Lakes Higher Education Corporation

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From: (b)(4); (b)(6)
Sent: 1 Mar 2017 22:41:31 +0000
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6);Servicing Operations
Subject: RE: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Scenarios 1 & 2

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

Password is (b)(6)

From: (b)(4); (b)(6)
Sent: Wednesday, March 01, 2017 4:39 PM
To: 'CM_Validation@ed.gov'; 'Lateata.Jackson@ed.gov'; 'Nikcola.Yorkshire@ed.gov'; 'Bora.Kim@ed.gov'; 'Ian.Foss@ed.gov'; 'Cynthia.Battle@ed.gov'; 'Taneka.Chialastri@ed.gov'; 'Lisa.Oldre@ed.gov'; 'Mark.Walsh@ed.gov'; 'Bubel, Susan'
Cc: (b)(4); (b)(6) Servicing Operations
Subject: Great Lakes CR2785 Interest Capping Validation Artifacts due 3/1/2017: Scenarios 1 & 2

Hello!

Attached please find a WinZip file containing the CR2785 Interest Capping validation artifacts due by March 1, 2017 for the following Test Scenarios:

- Scenario 1: Nadege Smith
- Scenario 2: Holly Smith

Also, please note to better accommodate account aging requirements in the Great Lakes test environment, we began processing effective in February of 2012. This applies to all of the Validation Artifact test scenarios.

Additional emails to follow for the remaining Validation Test Scenarios.

Password will been sent in a separate email and will be the same for all Validation Artifact files.

Thank you -(b)(4); (b)(6)

<< File: Scenario 1 Nadege Smith.zip >>
<< File: Scenario 2 Holly Smith.zip >>

(b)(4); (b)(6)
Work (b)(6)
Cell: (b)(6)
I/S Dev – Client & Internal Experience

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From: Foss, Ian
Sent: 19 Nov 2014 14:26:30 +0000
To: Utz, Jon
Subject: RE: IBR - Interest Capitalization

(b)(5)

From: Utz, Jon
Sent: Tuesday, November 18, 2014 10:19 AM
To: Foss, Ian
Subject: RE: IBR - Interest Capitalization

(b)(5)

(b)(5) §493(C)(b):

(b) INCOME-BASED REPAYMENT PROGRAM AUTHORIZED.—Notwithstanding any other provision of this Act, the Secretary shall carry out a program under which—

(1) a borrower of any loan made, insured, or guaranteed under part B or D (other than an excepted PLUS loan or excepted consolidation loan) who has a partial financial hardship (whether or not the borrower's loan has been submitted to a guaranty agency for default aversion or had been in default) may elect, during any period the borrower has the partial financial hardship, to have the borrower's aggregate monthly payment for all such loans not exceed the result described in subsection (a)(3)(B) divided by 12;

(2) the holder of such a loan shall apply the borrower's monthly payment under this subsection first toward interest due on the loan, next toward any fees due on the loan, and then toward the principal of the loan;

(3) any interest due and not paid under paragraph (2)—

(A) shall, on subsidized loans, be paid by the Secretary for a period of not more than 3 years after the date of the borrower's election under paragraph (1), except that such period shall not include any period during which the borrower is in deferment due to an economic hardship described in section 435(o); and

(B) be capitalized—

(i) in the case of a subsidized loan, subject to subparagraph (A), at the time the borrower—

(I) ends the election to make income-based repayment under this subsection; or

(II) begins making payments of not less than the amount specified in paragraph (6)(A); or

(ii) in the case of an unsubsidized loan, at the time the borrower—

(I) ends the election to make income-based repayment under this subsection; or

(II) begins making payments of not less than the amount specified in paragraph (6)(A);

From: Foss, Ian
Sent: Tuesday, November 18, 2014 9:25 AM
To: Utz, Jon
Subject: FW: IBR - Interest Capitalization

Well, I did find this…

From: Foss, Ian
Sent: Monday, March 26, 2012 2:51 PM
To: Battle, Cynthia
Subject: Re: IBR - Interest Capitalization

Oh, and I spoke to Jon about IBR capitalization again and he confirmed our understanding. The IBR regulations only displace the other capitalization regulations when a borrower has a PFH.

Therefore:

(1) If a borrower enters and exits a deferment or forbearance under a PFH, then no capitalization occurs.

(2) If a borrower enters a deferment or forbearance with a PFH and exits that deferment or forbearance after having lost it, interest may capitalize at the end of the deferment or forbearance.

(3) If a borrower enters a deferment or forbearance without a PFH, but regains PFH during the deferment or forbearance period, then interest does not capitalize at the end of the deferment or forbearance period.

(4) If a borrower enters and exits a deferment or forbearance without a PFH, interest capitalizes at the end of the deferment or forbearance.

From: Bubel, Susan
Sent: 18 Nov 2014 11:27:34 -0600
To: Foss, Ian;Battle, Cynthia
Subject: RE: IBR - Interest Capitalization

I can add a few IBR Cap examples to the Job Aid

From: Foss, Ian
Sent: Tuesday, November 18, 2014 9:29 AM
To: Battle, Cynthia; Bubel, Susan
Subject: FW: IBR - Interest Capitalization

(b)(5)

From: Foss, Ian
Sent: Tuesday, November 18, 2014 9:25 AM
To: Utz, Jon
Subject: FW: IBR - Interest Capitalization

Well, I did find this…

From: Foss, Ian
Sent: Monday, March 26, 2012 2:51 PM
To: Battle, Cynthia
Subject: Re: IBR - Interest Capitalization

Oh, and I spoke to Jon about IBR capitalization again and he confirmed our understanding. The IBR regulations only displace the other capitalization regulations when a borrower has a PFH. Therefore:

(1) If a borrower enters and exits a deferment or forbearance under a PFH, then no capitalization occurs.

(2) If a borrower enters a deferment or forbearance with a PFH and exits that deferment or forbearance after having lost it, interest may capitalize at the end of the deferment or forbearance.

(3) If a borrower enters a deferment or forbearance without a PFH, but regains PFH during the deferment or forbearance period, then interest does not capitalize at the end of the deferment or forbearance period.

(4) If a borrower enters and exits a deferment or forbearance without a PFH, interest capitalizes at the end of the deferment or forbearance.

From: Utz, Jon
Sent: 19 Nov 2014 13:12:10 -0600
To: Foss, Ian
Subject: RE: IBR - Interest Capitalization

(b)(5)

From: Foss, Ian
Sent: Wednesday, November 19, 2014 9:27 AM
To: Utz, Jon
Subject: RE: IBR - Interest Capitalization

(b)(5)

From: Utz, Jon
Sent: Tuesday, November 18, 2014 10:19 AM
To: Foss, Ian
Subject: RE: IBR - Interest Capitalization

(b)(5)

(b) INCOME-BASED REPAYMENT PROGRAM AUTHORIZED.—Notwithstanding any other provision of this Act, the Secretary shall carry out a program under which—
(1) a borrower of any loan made, insured, or guaranteed under part B or D (other than an excepted PLUS loan or excepted consolidation loan) who has a partial financial hardship (whether or not the borrower's loan has been submitted to a guaranty agency for default aversion or had been in default) may elect, during any period the borrower has the partial financial hardship, to have the borrower's aggregate monthly payment for all such loans not exceed the result described in subsection (a)(3)(B) divided by 12;
(2) the holder of such a loan shall apply the borrower's monthly payment under this subsection first toward interest due on the loan, next toward any fees due on the loan, and then toward the principal of the loan;
(3) any interest due and not paid under paragraph (2)—
(A) shall, on subsidized loans, be paid by the Secretary for a period of not more than 3 years after the date of the borrower's election under paragraph (1), except that such period shall not include any period during which the borrower is in deferment due to an economic hardship described in section 435(o); and
(B) be capitalized—
(i) in the case of a subsidized loan, subject to subparagraph (A), at the time the borrower—
(I) ends the election to make income-based repayment under this subsection; or
(II) begins making payments of not less than the amount specified in paragraph (6)(A); or

(ii) in the case of an unsubsidized loan, at the time the borrower—
(I) ends the election to make income-based repayment under this subsection; or
(II) begins making payments of not less than the amount specified in paragraph (6)(A);

From: Foss, Ian
Sent: Tuesday, November 18, 2014 9:25 AM
To: Utz, Jon
Subject: FW: IBR - Interest Capitalization

Well, I did find this…

From: Foss, Ian
Sent: Monday, March 26, 2012 2:51 PM
To: Battle, Cynthia
Subject: Re: IBR - Interest Capitalization

Oh, and I spoke to Jon about IBR capitalization again and he confirmed our understanding. The IBR regulations only displace the other capitalization regulations when a borrower has a PFH. Therefore:

(1) If a borrower enters and exits a deferment or forbearance under a PFH, then no capitalization occurs.

(2) If a borrower enters a deferment or forbearance with a PFH and exits that deferment or forbearance after having lost it, interest may capitalize at the end of the deferment or forbearance.

(3) If a borrower enters a deferment or forbearance without a PFH, but regains PFH during the deferment or forbearance period, then interest does not capitalize at the end of the deferment or forbearance period.

(4) If a borrower enters and exits a deferment or forbearance without a PFH, interest capitalizes at the end of the deferment or forbearance.

From: Foss, Ian
Sent: 15 Sep 2014 19:32:21 +0000
To: Ryder, Jennifer
Subject: RE: IBR calculations - capitalization
Attachments: RE: Repayment Estimator - Specific Example

Yes, that's the other one. See attached for some back and forth.

From: Ryder, Jennifer
Sent: Monday, September 15, 2014 2:54 PM
To: Foss, Ian
Subject: IBR calculations - capitalization

Hey Ian, In addition to the issue of the 3-year subsidy, I have this deferred requirement (we decided not to include it for 13.2), but I can't remember what exactly we were referring to - do you?

X.XXX COD shall ensure updated repayment estimate calculations in loan counseling, the standalone/signed-on repayment estimators, and the IDR e-App apply capitalization correctly (particularly for IBR versus PAYE).

From: (b)(4); (b)(6) @accenturefederal.com
Sent: 15 Aug 2014 15:56:14 +0000
To: Foss, Ian
Subject: RE: Repayment Estimator - Specific Example

Thanks Ian,

I think that covers us for question 1.

For question 2, one scenario this seems to occur has the following inputs:

Loan Balance: 50,000
Loan Interest Rate: 7.4%
AGI: 25,000
State: Continental US
Marital Status: Single

Between year 23 and 24 of the loan repayment period for IBR the borrower switches from PFH to the Standard repayment amount. Should the outstanding interest be capitalized and added to the principal at this point? Admittedly this is a pretty specific scenario.

Nice to have an excel spreadsheet to dig through as Friday entertainment ☺

Regards,

(b)(4); (b)(6)

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Wednesday, August 13, 2014 2:50 PM
To: (b)(4); (b)(6)
Subject: RE: Repayment Estimator - Specific Example

(b)(4); (b)(6)

Hi

On question 1, neither my spreadsheet nor the repayment estimator shows the "total principal" paid. Instead, they show the total interest paid and the total amount paid. The difference between the two would be the total principal paid. So, if your question is whether capitalized interest should be total in total interest paid, the answer is no. Instead, the total amount paid is the sum of all payments, and the total paid in interest is the sum of all payments made less the sum of all principal reductions. This effectively lumps capitalized interest into the principal bucket, but that's where it belongs.

On question 2, yes, interest is capitalized at this point in IBR (and PAYE). For PAYE, there is the 10% limit like there is in ICR. My spreadsheet incorporates this functionality; however, when you input a steady rise in income, I've not been able to come up with any circumstance when it occurs.

Let me know if this isn't clear. I'm happy to chat about this. Also, I did find a few problems with some

extraneous fields in the ICR sheet. It didn't affect the calculations, but it caused the "formula type" column to be wrong.

Ian

From: (b)(4); (b)(6) @accenturefederal.com
[mailto: (b)(4); (b)(6) @accenturefederal.com]
Sent: Wednesday, August 13, 2014 2:20 PM
To: Foss, Ian
Subject: RE: Repayment Estimator - Specific Example

(b)(4); (b)(6)

Hi Ian,

from our team has been working through a few more examples in our spreadsheet, and we have a couple policy questions about the IBR and ICR rules - let me know if they make sense, or I can set up 30 minutes for us to go through the respective calculations side by side.

1. **Income Contingent Repayment (ICR) Principal Paid**

   When calculating / displaying the overall principal paid for ICR, should we include capitalized interest as part of the total, or just use the original principal balance?

   E.g. if the outstanding interest is capitalized and increases the principal balance to $55,000 (110%) of the original balance ($50,000), then the borrower later pays off their whole balance, do we display the original balance in "Principal Paid", or the capitalized balance? ($50,000 or $55,000)?

   I think in the repayment estimator now we just display the original balance, but in your spreadsheet it shows the capitalized balance.

1. **Income Based Repayment (IBR) Principal Capitalization when losing eligibility**

   An IBR related question for a change ☺

   So this concerns IBR when the borrower switches from Income Based payments to the standard plan, i.e. loses their partial financial hardship - If a borrower's income increases enough that they no longer have a partial financial hardship, and their payments switch to the standard repayment plan, is the outstanding interest balance then capitalized and added to their principal balance?

   E.g. if the borrower switches from PFH to Standard, would their principal balance then increase, with a corresponding increase in monthly interest? Or would the principal remain constant and monthly interest be calculated on the original balance only?

   I.e. Original balance = $20,000, Outstanding Interest when the borrower loses PFH $4,720 - is the principal balance at this point capitalized to $24,720, or the original $20,000?

Let me know your thoughts / if these questions make sense - mostly trying to confirm our understanding in these (fairly specific) cases before sending over our final spreadsheet.

Thanks again,

(b)(4); (b)(6)

From: (b)(4); (b)(6)
Sent: Monday, August 11, 2014 2:18 PM
To: 'Foss, Ian'
Subject: RE: Repayment Estimator - Specific Example

Thanks Ian,

I'll take another look at our calculations and make sure we're using the maximum principal balance as well as the current outstanding interest balance - I'll send over an updated spreadsheet once the calculations match up.

(b)(4); (b)(6)

Regards,

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Monday, August 11, 2014 1:56 PM
(b)(4); (b)(6)
To: (b)(4); (b)(6)
Subject: RE: Repayment Estimator - Specific Example

Hi

I took a look at this and I see what is happening. In ICR, when determining the balance to be used in calculating the 12-year standard payment amount, we use the highest principal balance that has *ever existed* and the *current* outstanding interest balance. That's why my 12-year standard payment amount for year 16 is higher than yours. It is based on the highest principal balance of $55,000 and the current outstanding interest balance of $4,254.64. It is also why the ICR formula is ultimately still using the HHS formula for the remainder of the repayment period.

Ian

From: (b)(4); (b)(6) @accenturefederal.com
[mailto: (b)(4); (b)(6) @accenturefederal.com]
Sent: Friday, August 08, 2014 11:28 AM
To: Foss, Ian
Subject: RE: Repayment Estimator - Specific Example

Hi Ian,

We've been working on our version of the spreadsheet / repayment calculations with the new HHS and IPF calculations, and it should now match up with your calculations.

One thing we noticed, however, was in some specific scenarios your spreadsheet appears to be slightly off for ICR, or at least doesn't appear to switch correctly from the HHS to the IPF formula with increasing income.

Looking into it, it looks like there's a reference to ICRAmor that may be broken, so in subsequent years the IPF payment amount looks artificially high (like $80,000). Kind of hard to explain, but I've attached an example that triggers this condition, with the comparison between the IPF and HHS methods highlighted. Should hopefully be able to just redefine / recalculate ICRAmor to correct the issue.

It's also very possible this was just a function of updating your ICR calculations to 6, 7, and 12 months to try and match our wonky figures ☺

Let me know your thoughts, or if I'm not performing the calculations correctly, and thanks again for all your help with these updates.

Regards,

(b)(4); (b)(6)

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Wednesday, July 09, 2014 6:57 PM
To: (b)(4); (b)(6)
Subject: Re: Repayment Estimator - Specific Example

(b)(4); (b)(6)

Hi

Attached are two version of the spreadsheet.

The one with "mo_12" is what I think we settled on, where interest caps effective at the end of the last month in the first 12-month period. This means that amount of the capitalization includes the interest that accrued during the 12th month.

The one with "mo_7" is what I was playing around with when trying to match your numbers (don't know that I got them to match in the end). It capitalizes interest effective at the end of month 7. So, interest doesn't accrue on the higher balance until month 8. Also, the capitalization amount does not include the interest that accrued in month 7. This is never something that would happen in real life. It was just my playing around with various approaches to try and get the number to match.

The one with "mo_6" is where interest capitalizes effective at the end of the 6th month. This means that interest accrues on the higher balance for month 7 and that the interest capitalization amount includes the interest that accrued during month 6.

Let me know if you have any questions, and thanks for working through this with me.

Ian

On 7/9/14, 09:01, "Foss, Ian" <Ian.Foss@ed.gov> wrote:

> As I'm going through your spreadsheet, I have another question. For ICR, interest capitalizes every July 1. In the spreadsheet, I think, the capitalization (effectively) occurs at the end of July, because the interest accrual for July is on the OPB that doesn't include the interest that was supposed to capitalize at the beginning of the month. Does that seem right to you?
>
> If the logic is that the borrower starts repayment in January, so that's why the first capitalization even is in the 7th month, I think the OPB ending the month of June needs to incorporate the capitalized interest, so that interest accrues on the higher balance for the month of July.
>
> In addition, it seems that, even though you're effectively capitalizing at the end of July, the capitalization does not include the interest that accrued during the month of July. For example, the first capitalization event, in July, increases the OPB by $1,250, or the amount that accrued during the first six months; however, there's $208.33 in interest that accrued in the 7th month that's wasn't capitalized, but the OIB was zeroed out by the capitalization event, when it should all move into OIB.
>
> Am I getting all this right? Or do I need more coffee?
>
> On 7/7/14, 16:50, "(b)(4); (b)(6) @accenturefederal.com" <(b)(4); (b)(6) @accenturefederal.com> wrote:
>
>> No worries - I think I'm still operating on European time zones, so if you get a follow up email from me at 3 am, you'll know why :)
>>
>> How was the conference? Is Nashville a rocking place to be?
>>
>> -----Original Message-----
>> From: Foss, Ian [mailto:Ian.Foss@ed.gov]
>> Sent: Monday, July 07, 2014 4:47 PM
>> To: (b)(4); (b)(6)
>> Subject: RE: Repayment Estimator - Specific Example
>>
>> Gotcha. I'm still recovering from the NASFAA conference. So my brain is a bit foggy.
>>
>> And thanks! I'll let Business Operations know about this, too.
>>
>> -----Original Message-----
>> From: (b)(4); (b)(6) @accenturefederal.com
>> [mailto: (b)(4); (b)(6) @accenturefederal.com]

Sent: Monday, July 07, 2014 4:46 PM
To: Foss, Ian
Subject: RE: Repayment Estimator - Specific Example

Sorry, to clarify, the issue with AGI being below the lower range of the IPF calculations only occurs in the spreadsheet - the current calculations in production already account for this (they use a floor on the percentage factor so it can't go below 55%, etc.) i.e. we don't need a fix for the actual repayment estimator, just need to update our documentation (the spreadsheet) to reflect what's happening in production.

For the interest capitalization for ICR occurring on the 7th month of the first year, we can put in a fix for this with release 13.2. Could handle this a number of ways: either just adding it to the requirements and design for CR 2298, or opening a ticket to track this.

I'll talk to the folks here to see how hard it would be to include it in CR 2298, or how they prefer to handle it.

-----Original Message-----
From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Monday, July 07, 2014 4:23 PM
To: (b)(4); (b)(6)
Subject: RE: Repayment Estimator - Specific Example

(b)(4); (b)(6)

Thanks, . Does this mean that a "fix" will be rolled into 13.1 or 13.2, or is this something we need to ask you to do via CR?

Also, I noticed that the ICR interest capitalization rule applies, the first time, on the 7th month. I assume this is because the repayment estimator assumes that repayment starts in January, and the annual interest capitalization for ICR occurs in July. Any way we can just set the first one to be after the end of the first year (and keep subsequent capitalizations at 12 months after the last capitalization)? For what it's worth, I think my spreadsheet used to do this, too...

-----Original Message-----
From: (b)(4); (b)(6) @accenturefederal.com
[mailto:(b)(4); (b)(6) @accenturefederal.com]
Sent: Monday, July 07, 2014 3:39 PM
To: Foss, Ian
Subject: RE: Repayment Estimator - Specific Example

Hi Ian,

I've attached the updated spreadsheet - this matches the overall totals, forgiveness amounts, etc. shown on the repayment estimator online for the $4,000 AGI, $50,000 in direct loans scenario.

It should also show you the repayment schedule line by line if you scroll down (way down) on the "Income Driven" tab in the spreadsheet.

Let me know your thoughts, and happy to follow up on any questions you have / issues you see.

I'll also make sure that the fix to the spreadsheet itself gets carried over to our reference documents for release 13.1, 13.2, etc.

(b)(4); (b)(6)

Regards,



-----Original Message-----
From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Monday, July 07, 2014 1:14 PM
To: (b)(4); (b)(6)
Subject: RE: Repayment Estimator - Specific Example

(And welcome back. I hope you were somewhere fun!)

-----Original Message-----
From: Foss, Ian
Sent: Monday, July 07, 2014 1:14 PM
To: (b)(4); (b)(6) accenturefederal.com'
Subject: RE: Repayment Estimator - Specific Example

No problem. For what it's worth, I ran into this same problem. What I do is never let the IPF be lower than the lowest or higher than the highest.

-----Original Message-----
From (b)(4); (b)(6) @accenturefederal.com
[mailto (b)(4); (b)(6) @accenturefederal.com]
Sent: Monday, July 07, 2014 1:12 PM
To: Foss, Ian
Subject: RE: Repayment Estimator - Specific Example

Hi Ian,

Really apologize, I got this message from the airport on the 20th and forwarded it on to the team to look into - now that I'm back, however, it looks like it never made it out of my outbox.

I ran through those calculations in our spreadsheet and noticed an error with the excel formulas - because the starting AGI is less than the lowest income in the IPF ranges for Income Contingent Repayment, it was returning N/A for the income percentage factor and breaking the calculations.

I'm just updating the spreadsheet to add an error check condition for

incomes below $10,877, and will send over an updated version with the calculations laid out once I do.

Sorry about the delay,

(b)(4); (b)(6)

-----Original Message-----
From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Friday, June 20, 2014 5:06 PM
To: (b)(4); (b)(6)
Subject: Repayment Estimator - Specific Example

(b)(4); (b)(6)

Hi

Someone who strives to make their calculators match the repayment estimator contacted me about a situation that she couldn't figure out. The example is a single borrower in California with $50,000 in Direct Loans and an interest rate of 5% repaying under ICR. The AGI starts at $4,000.

Is there any way you can send me the full, back-end calculations for this situation? My own spreadsheet had some problems that I identified quickly enough, but my spreadsheet still produced different results from the repayment estimator, so I need to see what it's doing.

Thanks,

Ian

From: Foss, Ian
Sent: 26 May 2015 14:24:49 +0000
To: Pierce, Michael (CFPB)
Subject: Re: IBR Capitalization Question

You sure will. See you tomorrow.

On Tue, May 26, 2015 at 09:15, Pierce, Michael (CFPB) wrote:

> Thanks, Ian. I realized my mistake right after I sent that.
> Also, I gather I'll see you tomorrow at this twitter thing?
> **From:** Foss, Ian [mailto:Ian.Foss@ed.gov]
> **Sent:** Tuesday, May 26, 2015 10:13 AM
> **To:** Pierce, Michael (CFPB)
> **Subject:** Re: IBR Capitalization Question
> Hi Mike,
> Failure to recertify is a capitalization event in IBR and PAYE.
> Ian
>
> On Thu, May 21, 2015 at 09:18, Pierce, Michael (CFPB) <Michael.Pierce@cfpb.gov> wrote:
>
> > Hey Ian,
> >
> > Hope all is well. I had a quick technical question that I'm sure you just know off hand. For a FFEL IBR, is failure to recertify income a capitalization event?
> >
> > I had been under the impression that you had to affirmatively opt out of IBR to trigger capitalization, not just fail to recertify.
> >
> > Thanks!
> >
> > Mike

From: Bubel, Susan
Sent: 14 Mar 2017 19:21:10 +0000
To: Odom, Christian;Oldre, Lisa;Battle, Cynthia;Foss, Ian
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

Then you would just want to clarify (b)(5)
(b)(5)

Thanks,

Sue

From: Odom, Christian
Sent: Tuesday, March 14, 2017 3:17 PM
To: Bubel, Susan; Oldre, Lisa; Battle, Cynthia; Foss, Ian
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

Right. From a process standpoint, they should follow. (b)(5)
(b)(5)

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From: Bubel, Susan
Sent: Tuesday, March 14, 2017 12:15 PM
To: Odom, Christian; Oldre, Lisa; Battle, Cynthia; Foss, Ian
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

Or just tell them to follow existing capitalization rules for Negative amortization.

From: Odom, Christian
Sent: Tuesday, March 14, 2017 3:13 PM
To: Bubel, Susan; Oldre, Lisa; Battle, Cynthia; Foss, Ian
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

So it would be more accurate if their script read as follows (or some iteration of this)

(b)(5)

Do you think this would capture the intent and clarity needed?

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From: Bubel, Susan
Sent: Tuesday, March 14, 2017 12:04 PM
To: Odom, Christian; Oldre, Lisa; Battle, Cynthia; Foss, Ian
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

Correct, unless it is satisfied by 07/31

From: Odom, Christian
Sent: Tuesday, March 14, 2017 3:03 PM
To: Bubel, Susan; Oldre, Lisa; Battle, Cynthia; Foss, Ian
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

Thanks Sue. So reading the two together would mean, interest from 01/-06/30/2017 caps at 07/31/2017. The interest from 07/01/2017 – 06/30/2018 caps at 07/31/2018. Is that correct?

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From: Bubel, Susan
Sent: Tuesday, March 14, 2017 11:50 AM
To: Odom, Christian; Oldre, Lisa; Battle, Cynthia; Foss, Ian
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

Yes that is correct. CR 2785 has the Neg AM capping requirements included, though they are not new they were from core servicing requirements. Here are the Neg Am capping requirements from CR2785:

5023.00 Clarified Existing Requirement	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**	**(Aug 2011** CR 1492) Initial Requirement
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a **processing date** of **July 31** and **effective date** of **June 30**.	(**Feb 2015** CR 2785) Clarified processing date of July 31 and an effective date of June 30
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	**(Aug 2011** CR 1492) Initial Requirement
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization processing date until the end of the deferment or forbearance, **but the effective date should still be June 30**.	(**Feb 2015** CR 2785) Clarified the effective date of the Neg Am cap should be June 30.
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	**(Aug 2011** CR 1492) Initial Requirement
5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.** **Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.*	(**Feb 2015** CR 2785) Clarified the cap should include capable interest prior to the entitlement. At the end of the capping event. Also clarified Neg Am interest should not be included in this cap .
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	**(Aug 2011** CR 1492) Initial Requirement

From: Odom, Christian
Sent: Tuesday, March 14, 2017 1:52 PM
To: Bubel, Susan; Oldre, Lisa; Battle, Cynthia; Foss, Ian
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

(b)(5)

Thanks!

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From: Bubel, Susan
Sent: Tuesday, March 14, 2017 10:43 AM
To: Odom, Christian; Oldre, Lisa; Battle, Cynthia; Foss, Ian
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

(b)(5)

I added Ian to clarify if there is a specific regulation to cite(I couldn't find it and he is AWESOME with that)

Please let me know if this helps clarify or f you have additional questions.

Thanks,

Sue

From: Odom, Christian
Sent: Tuesday, March 14, 2017 1:13 PM
To: Bubel, Susan; Oldre, Lisa; Battle, Cynthia
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

Sue,

For others the section in question is cited below.

(b)(5)

Thanks in advance, Sue!

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From: Bubel, Susan
Sent: Monday, March 13, 2017 7:23 AM

To: Odom, Christian; Oldre, Lisa; Battle, Cynthia
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

Good Morning Christian,

I apologize for the delay in response, I was off a couple of days.

I do have a couple of comments:

(b)(5)

Thanks,

Sue

From: Odom, Christian
Sent: Monday, March 13, 2017 9:37 AM
To: Oldre, Lisa; Battle, Cynthia; Bubel, Susan
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

And hope you don't run into bad weather traveling. ☺

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From: Odom, Christian
Sent: Monday, March 13, 2017 6:36 AM
To: Oldre, Lisa; Battle, Cynthia; Bubel, Susan
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

Thanks Lisa.

See you in like a month! ☺

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From: Oldre, Lisa
Sent: Friday, March 10, 2017 12:36 PM
To: Odom, Christian; Battle, Cynthia; Bubel, Susan
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

No questions/concerns from me

Lisa Oldre | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-3249 | C: (202) 280-8871 | lisa.oldre@ed.gov

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From: Odom, Christian
Sent: Wednesday, March 08, 2017 6:54 PM
To: Oldre, Lisa; Battle, Cynthia; Bubel, Susan
Subject: RE: INFO - Alternative Repayment Plan Examples from MOHELA

Folks,

Been a while since our meeting. However, I now have the final deliverables from MOHELA that were developed to address our concerns.

The attached includes their repay scripts, repayment plan summary letter that they send, the "offering options" given to phone staff, and their modified Alt Repayment Plan request packet (which includes all available repayment plans).

They are submitting this in hopes that this issue can be closed out. I wanted to reach out to this group to see if you all had any additional questions and/or concerns.

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From: Odom, Christian
Sent: Monday, January 23, 2017 7:55 AM
To: Oldre, Lisa; Battle, Cynthia; Bubel, Susan
Subject: INFO - Alternative Repayment Plan Examples from MOHELA

Hello,

Attached are a few examples of the type of scenarios that MOHELA has encountered when applying alternative repayment plans. This is simply to give an idea of the types of requests for alternative repayment plans received by the servicer.

Given the short window, I asked that they provide a few. However, we can get more examples if needed.

Password to follow.

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U.S. Department of Education :: Office of Federal Student Aid
50 United Nations Plaza :: San Francisco, CA 94102
(P) 415.486.5683 :: (M) 415.533.7556
Instant Message Me On Skype for Business



From: Foss, Ian
Sent: 7 Apr 2015 12:40:43 +0000
To: Bartkowiak, Thaddeus
Subject: RE: Interest Accrual/Capitalization

(b)(5)

From: Bartkowiak, Thaddeus
Sent: Tuesday, April 07, 2015 8:39 AM
To: Foss, Ian
Subject: RE: Interest Accrual/Capitalization

Thanks. I have that question pending with Nelnet.

(b)(5)

From: Foss, Ian
Sent: Tuesday, April 07, 2015 8:35 AM
To: Bartkowiak, Thaddeus; Utz, Jon
Subject: RE: Interest Accrual/Capitalization

(b)(5)

From: Bartkowiak, Thaddeus
Sent: Tuesday, April 07, 2015 8:07 AM
To: Utz, Jon
Cc: Foss, Ian
Subject: Interest Accrual/Capitalization

(b)(5)

Your thoughts?
Thad Bartkowiak
Team Lead
(202) 377-3805

Direct inquiries to: Ombudsman Group; U.S. Department of Education; 4th Floor, UCP-3/MS 5144; 830 First Street, NE; Washington, D.C. 20202-5144; Phone: (877) 557-2575/Fax: (202) 275-0549; Email: <mailto:fsaombudsmanoffice@ed.gov;> [review our website at studentaid.ed.gov]
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From: Utz, Jon
Sent: 26 Jun 2017 14:27:08 +0000
To: Foss, Ian
Subject: RE: Interest capitalization upon consolidation

Yes, just last year, I think.

From: Foss, Ian
Sent: Monday, June 26, 2017 10:16 AM
To: Utz, Jon
Subject: Re: Interest capitalization upon consolidation

I agree that this could be clearer. We did just recently clear the consolidation promissory note, didn't we?

From: Utz, Jon
Sent: Monday, June 26, 2017 9:07:46 AM
To: Foss, Ian
Subject: RE: Interest capitalization upon consolidation

Thanks. (b)(5)

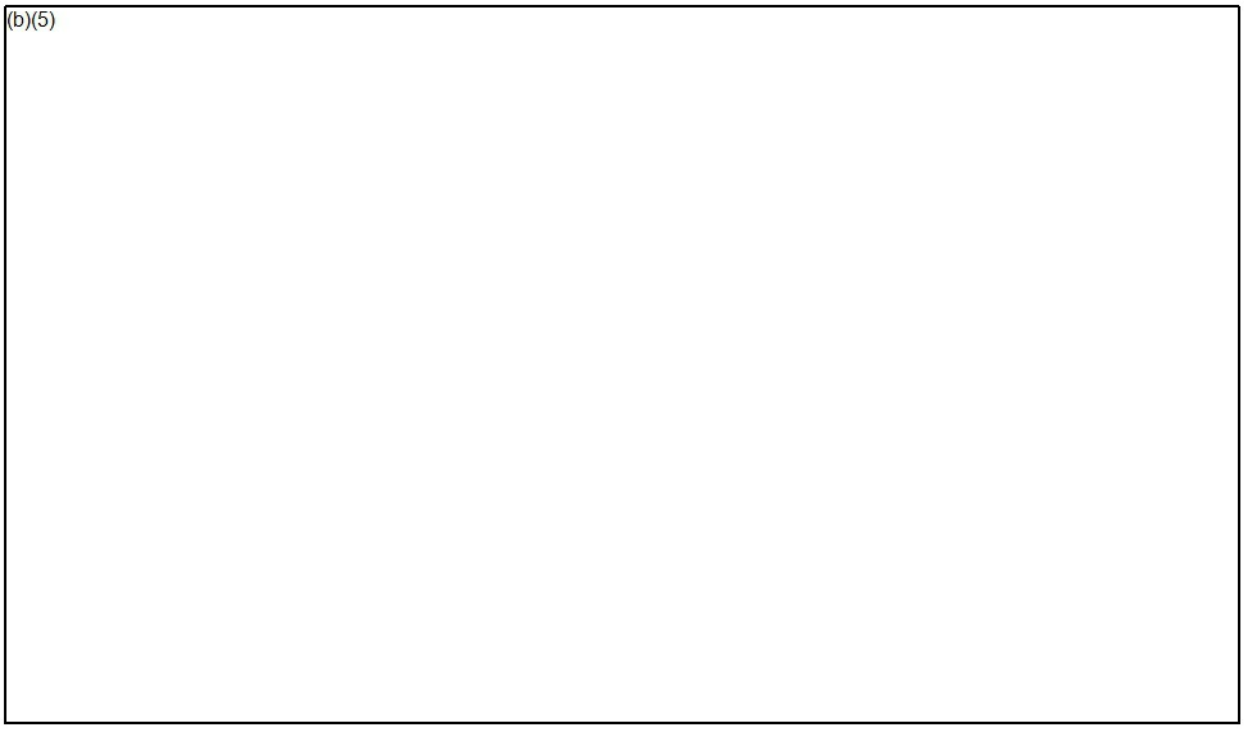
(b)(5)

From: Foss, Ian
Sent: Friday, June 23, 2017 7:03 PM
To: Utz, Jon
Subject: Re: Interest capitalization upon consolidation

Consolidation always causes interest to capitalize. I agree this hasn't always been the clearest practice.

On Jun 23, 2017, at 16:02, Utz, Jon <Jon.Utz@ed.gov> wrote:

> I should know the answer to this question, but for some reason I'm drawing a blank. (b)(5)
>
> (b)(5)


(b)(5)

From: Foss, Ian
Sent: 26 Jan 2016 15:06:10 +0000
To: Hoblitzell, Barbara
Subject: Re: Issue Paper 8 Interest Capitalization Session II
Attachments: Issue Paper 8 Interest Capitalization Session II.docx, ATT00001.htm, Issue Paper 8 Interest Capitalization Session II_clean.docx, ATT00002.htm

Shucks.

See attached.

(b)(5)

On Jan 26, 2016, at 09:58, Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov> wrote:

> You are an amazing individual ☺
>
> ---
>
> **From:** Foss, Ian
> **Sent:** Tuesday, January 26, 2016 9:58 AM
> **To:** Hoblitzell, Barbara
> **Subject:** Re: Issue Paper 8 Interest Capitalization Session II
>
> Working on it now.
>
> On Jan 26, 2016, at 09:54, Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov> wrote:
>
> > Hi, Ian.
> >
> > Any chance you can quickly replace the 'summary of issue' with a 'summary of changes' for clearance? If not, I'll pull something together.
> >
> > Planning to send to Leslie within the half hour…
> >
> > <Issue Paper 8 Interest Capitalization Session II.docx>

Page 2150

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2151

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2152

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2153

Withheld pursuant to exemption

(b)(5)

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Page 2154

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2155

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2156

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

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> >
> > <Issue Paper 8 Interest Capitalization Session II.docx>

From: Foss, Ian
Sent: 26 Jan 2016 15:12:09 +0000
To: Hoblitzell, Barbara
Subject: Re: Issue Paper 8 Interest Capitalization Session II

Gotcha. Thanks for the update.

On Jan 26, 2016, at 10:11, Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov> wrote:

No thanks – (b)(5)
;-)

From: Foss, Ian
Sent: Tuesday, January 26, 2016 10:11 AM
To: Hoblitzell, Barbara
Subject: Re: Issue Paper 8 Interest Capitalization Session II

No problem. As you'll recall, (b)(5)
(b)(5)

On Jan 26, 2016, at 10:06, Hoblitzell, Barbara <Barbara.Hoblitzell@ed.gov> wrote:

Thank you!!!

From: Foss, Ian
Sent: Tuesday, January 26, 2016 10:06 AM
To: Hoblitzell, Barbara
Subject: Re: Issue Paper 8 Interest Capitalization Session II

Shucks.
See attached.
(b)(5)

From: Ian Foss
Sent: 8 Sep 2015 15:29:25 -0400
To: Bubel, Susan
Subject: Re: La Teata: CR 2785 (1492 Requirement Clarification) --- Question from VSAC

So, we can authorize a non-capping administrative forbearance in circumstances that are outside of what is called out in regulation. Basically, if the regulation FFEL/DL says that an administrative forbearance can be used and doesn't speak to capping (therefore is capping) or says it should be non-capping, then follow the regulation. If we're applying an administrative forbearance that outside of those circumstances listed in regulation, we can decide on a case-by-cases basis as to whether it should be capping or not.

If a borrower is moving out of IBR, discretionary forbearance should be used to cover the expedited-standard payment. This isn't an administrative forbearance. Also, I understood that the 36-month limit about discretionary forbearance that we set as a business rule was about consecutive months of forbearance, not a cumulative limit on discretionary forbearance.

From: "Bubel, Susan"
Date: Thursday, September 3, 2015 at 12:38
To: Ian Foss
Subject: FW: La Teata: CR 2785 (1492 Requirement Clarification) --- Question from VSAC

To add more fun to your day….
Am I correct that Non capping forbs should

(b)(5)

I am so confused. ☹

From: Jackson, Lateata
Sent: Thursday, September 03, 2015 12:25 PM
To: Bubel, Susan; Battle, Cynthia
Subject: FW: La Teata: CR 2785 (1492 Requirement Clarification) --- Question from VSAC
Importance: High

Can you both take a look at this?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
PROUD SPONSOR of the AMERICAN MIND™

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

Hello La Teata (BA of CR 2785),
VSAC submitted an initial question about CR 2785; however, the BA or BU asked for additional information about VSAC question(s) and VSAC provided the information below. Can you let me know the answers to the VSAC questions so that I can forward them to VSAC.

The chart below shows the forbearances that we are unsure should be capping or not. In addition to the capping information, the Job Aid also mentioned that non-capping forbearances should only be posted for up to 60 days. In addition to the capping question, the length of these forbearances can be more than 60 days so we would be looking for that confirmation as well depending on FSA's response.

Forbearance Code	Description	Guidance/reasoning
FDL	Disbursement forbearance used to cover past due periods when old disbursement change information is received via COD	Looking for FSA to confirm if this forbearance type should be capping. This forbearance is used to cover past due periods when COD loan disbursement information is received weeks or months in the past making the borrower past due. The forbearance has been posted as non-capping in the past to hold the borrower harmless when older disbursement information is received.
FEP	FSA exceptional forbearance-used at FSA request	E-mails from Lisa Oldre dated 1/2/13 and 7/29/14 confirming should be applied as non-capping. See attached email.
FLC	IDR forbearance to cover gaps in between periods of PFH.	**2.5.5.901-IBR/ICR:** If a borrower submits income documentation after the hard deadline, and after the servicer sets the Permanent-Standard payment amount, and the borrower's new payment amount under partial financial hardship is lower than the previous payment amount under partial financial hardship, the servicer shall apply an administrative forbearance to cover all payments that were overdue, or would be due, at the time the borrower was determined to have a PFH.The servicer shall not capitalize interest that accrued during the portion of the administrative forbearance occurring after the servicer sets the Permanent-Standard payment amount.
FTI	Disability-120 day suspension	**CR 2010 requirement 3.0**: The federal loan servicer shall apply a 120-day non-capitalizing administrative forbearance (or otherwise suspend collection activity for 120 day) within 3 business days of the date that the TPD servicer sent the Lender Notification (LN) file to the federal loan servicer. Note: This 120-day suspension period starts from the date that the borrower informed the TPD Servicer of their intent to apply for a TPD discharge.

		See attachment A (Lender Notification File) for additional information on format and specifics.
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FFD	Death admin forbearance	Looking for FSA to confirm should be capping- no previous guidance on capping was provided. Since this is for a death account, logically it seems this should also be posted as non-capping.

Thanks,
Sabrina

From: Ratchford, Sabrina [mailto:Sabrina.Ratchford@ed.gov]
Sent: Friday, July 03, 2015 12:29 AM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6) Oldre, Lisa; Smith, Lynn; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: VSAC Question on CR 2785 (1492 Requirement Clarification)

Hello (b)(4); (b)(6)
The FSA business analyst requests that VSAC provide the previous guidance that you are referencing; therefore, can you provide this information?
Thanks,
Sabrina

_____
Sabrina Ratchford
Contracting Officer's Representative
U.S. Department of Education
Office of Federal Student Aid
Business Operations
830 First Street NE, Room 63H1
Washington, DC 20202
202-377-3622

From: Ratchford, Sabrina
Sent: Thursday, July 02, 2015 11:27 AM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6) Oldre, Lisa; Smith, Lynn; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: RE: VSAC Question on CR 2785 (1492 Requirement Clarification)

Hello (b)(4); (b)(6)
I forwarded your inquiry below to the appropriate FSA office and will let you know when I receive a response.
I will be out of the office most of next week; therefore, please check with Lynn Smith next week if I do not send you a response today.

Sabrina

Sabrina Ratchford
Contracting Officer's Representative
U.S. Department of Education
Office of Federal Student Aid
Business Operations
830 First Street NE, Room 63H1
Washington, DC 20202
202-377-3622

From: (b)(4); (b)(6) [mailto: @vsac.org]
Sent: Tuesday, June 30, 2015 11:56 AM
To: Ratchford, Sabrina
Cc: (b)(4); (b)(6); Oldre, Lisa; Smith, Lynn; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: VSAC Question on CR 2785 (1492 Requirement Clarification)

Hi Sabrina – We have a question regarding CR 2785 that we're hoping to get some clarity on. Per guidance received in CR 2785, FSA states that the only instances of non-capping forbearance should be as follows:

(b)(5)

how should we proceed?

Thanks!

(b)(4); (b)(6)

Manager, Information Technology and Project Management
VSAC
10 East Allen Street
Winooski, VT 05404
(b)(6)

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From: Bubel, Susan
Sent: 8 Sep 2015 19:33:48 +0000
To: Foss, Ian
Subject: RE: La Teata: CR 2785 (1492 Requirement Clarification) --- Question from VSAC

Ok ☺ thanks!

From: Foss, Ian
Sent: Tuesday, September 08, 2015 3:33 PM
To: Bubel, Susan
Subject: Re: La Teata: CR 2785 (1492 Requirement Clarification) --- Question from VSAC

I find it easier to just contradict prior guidance and do so expressly.

On Sep 8, 2015, at 15:31, Bubel, Susan <Susan.Bubel@ed.gov> wrote:

I agree. (b)(5)

(b)(5)

From: Foss, Ian
Sent: Tuesday, September 08, 2015 3:29 PM
To: Bubel, Susan
Subject: Re: La Teata: CR 2785 (1492 Requirement Clarification) --- Question from VSAC

So, we can authorize a non-capping administrative forbearance in circumstances that are outside of what is called out in regulation. Basically, if the regulation FFEL/DL says that an administrative forbearance can be used and doesn't speak to capping (therefore is capping) or says it should be non-capping, then follow the regulation. If we're applying an administrative forbearance that outside of those circumstances listed in regulation, we can decide on a case-by-cases basis as to whether it should be capping or not.

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To: Ian Foss
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To add more fun to your day….

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I am so confused. ☹

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Sent: Thursday, September 03, 2015 12:25 PM
To: Bubel, Susan; Battle, Cynthia
Subject: FW: La Teata: CR 2785 (1492 Requirement Clarification) --- Question from VSAC
Importance: High

Can you both take a look at this?

La Teata Jackson
Change Management Division
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U.S. Department of Education
desk - (202)377-3269
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An OFFICE of the U.S. DEPARTMENT of EDUCATION

Nothing is so strong as gentleness and nothing is so gentle as real strength.
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Sabrina

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Hello (b)(4); (b)(6)
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Sabrina Ratchford
Contracting Officer's Representative
U.S. Department of Education
Office of Federal Student Aid
Business Operations
830 First Street NE, Room 63H1
Washington, DC 20202
202-377-3622

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U.S. Department of Education
Office of Federal Student Aid
Business Operations
830 First Street NE, Room 63H1
Washington, DC 20202
202-377-3622

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @vsac.org]
Sent: Tuesday, June 30, 2015 11:56 AM
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Cc: (b)(4); (b)(6) Oldre, Lisa; Smith, Lynn; (b)(4); (b)(6)
(b)(4); (b)(6)
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(b)(5)

(b)(5)

(b)(5) how should we proceed?

Thanks!

(b)(4); (b)(6)

Manager, Information Technology and Project Management
VSAC
10 East Allen Street
Winooski, VT 05404
(b)(6)

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From: Jackson, Lateata
Sent: 25 Feb 2015 10:03:41 -0600
To: Bubel, Susan;Battle, Cynthia;Foss, Ian;Meadows, Kim
Subject: RE: Lateata - GL Question - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Responses sent

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

-----Original Message-----
From: Bubel, Susan
Sent: Wednesday, February 25, 2015 10:41 AM
To: Jackson, Lateata; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: RE: Lateata - GL Question - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Sorry sent too fast :) see responses below...

-----Original Message-----
From: Jackson, Lateata
Sent: Wednesday, February 25, 2015 9:56 AM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: FW: Lateata - GL Question - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Additional Great Lakes questions

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

-----Original Message-----
From: Connelly, Tammy
Sent: Wednesday, February 25, 2015 7:54 AM
To: Jackson, Lateata; (b)(4); (b)(6)
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn
Subject: Lateata - GL Question - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Please see the questions below from Great Lakes. Let us know when a response is available.

Thanks.

Tammy Connelly
Contracting Officer?s Representative
FSA/Business Operations/PMS
Budget & Services Management Branch
830 First Street, NE, 61D1
Washington, DC 20202
202-377-3298 (office)

-----Original Message-----
From: (b)(4); (b)(6) [mailto: (b)(4); (b)(6) @glhec.org]
Sent: Tuesday, February 24, 2015 4:54 PM
To: Connelly, Tammy; (b)(4); (b)(6)
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn
Subject: RE: GL and PHEAA - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

Two more questions, please -

FSA's response to #55 below indicates the PAYE limit would include capped NegAm interest if the annual NegAm cap took place while the borrower was in PAYE. Sounds like it could include Normal interest that is capped while the borrower is in PAYE as well. Are we reading this correctly?
Yes that is correct.
FSA's response to #62 below indicates the 10% limits for ICR and ALT NegAm are combined. We currently have separate 10% limits for ICR and ALT. Are we interpreting your direction correctly in that we need to make a change to combine them?

Yes that is correct. There is one Neg am 10% limit and it includes Neeg Am interest from both ICR and Alt Neg Am,

Thanks,

Sue

-----Original Message-----
From: Connelly, Tammy [mailto:Tammy.Connelly@ed.gov]
Sent: Wednesday, February 18, 2015 6:07 AM
To: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org)
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn
Subject: GL and PHEAA - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Attached is a revised CR2785 - Requirement Clarification for CR1492. Please provide an assessment for this change by 2/25/15.

Feel free to contact me if you have questions or need more information.

Thanks
Tammy Connelly

The information contained in this communication may be confidential, is intended only for the use of the recipient(s) named above, and may be protected under state or federal law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication, or any of its contents, is strictly prohibited. If you have received this communication in error, please forward the communication to notme@glhec.org immediately and destroy or delete the original message and any copy of it from your computer system. If you have any questions concerning this message, please contact the sender.

From: Callahan, Nicole
Sent: 28 Dec 2016 12:37:38 +0000
To: Foss, Ian
Subject: RE: Loan consolidation

Thank you!

From: Foss, Ian
Sent: Tuesday, December 27, 2016 1:52 PM
To: Callahan, Nicole
Subject: RE: Loan consolidation

When you consolidate, because you have one loan with one interest rate, you lose the ability to target your highest interest rate loan for accelerated repayment, and you would default into a repayment plan that has a lower payment and therefore costs you more interest over time.

But, high debt borrowers tend to not be so worried about that. Instead, they tend to be worried about being able to afford things. Consolidation would help with that.

Because interest capitalizes when grace ends/when loans enter repayment, the act of consolidation is not likely to cause something to happen that would not otherwise—interest capitalization. However, by consolidating, the borrower will waive his grace period unless he waits to consolidation until the end of the grace period or select to do what we call a "grace hold"—basically, hold off on processing the application until the end of the grace period.

You already caught the bit about losing credit towards forgiveness that you've already earned, but that's not likely to be as much of a problem since the borrower was likely to have been in school the whole time and most graduate students (who can make qualifying payments on PLUS loans while in school) aren't making payments while in school.

From: Callahan, Nicole
Sent: Tuesday, December 20, 2016 2:25 PM
To: Foss, Ian
Subject: Loan consolidation

Hi,

I came across a discussion on FB about loan consolidation. The specific question was are there any cons to consolidation.

My initial thoughts were:

(b)(5)

(b)(5); (b)(6)

(b)(6)

As an aside, I tried calling the loan consolidation center to verify my thinking in #1 before bothering you. A couple things:

1. The recording gives a url that no longer works.
2. On StudentAid.gov and in our blog posts we sort of tell people they can call the number for advice on consolidating, but the only option you're given is if you already have an application in progress. What if you just want advice? You are transferred back to the main menu if you don't enter a number, but just wanted to call that out.

Nicole Callahan
Digital Engagement Strategist
Office: (202) 377-4857
Mobile: (202) 465-5514

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
PROUD SPONSOR of the AMERICAN MIND™

From: Bubel, Susan
Sent: 23 Jan 2017 19:47:32 +0000
To: (b)(4); (b)(6) ;Battle, Cynthia;Yorkshire, Nikcola;Walsh, Mark;Kim, Bora;Foss, Ian;'Katharine.Levitt@ed.gov'
Subject: RE: MOHELA's Walk Through for CR 2785

Dialing in now

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@mohela.com]
Sent: Monday, January 23, 2017 2:41 PM
To: Bubel, Susan; Battle, Cynthia; Yorkshire, Nikcola; Walsh, Mark; Kim, Bora; Foss, Ian; 'Katharine.Levitt@ed.gov'
Subject: MOHELA's Walk Through for CR 2785

Good Afternoon!

Our jobs for aging the system have completed and we can resume the walk through if you would like to dial back in.

Thanks,

(b)(4); (b)(6)
Federal Contract Compliance Analyst | MOHELA
633 Spirit Drive | Chesterfield MO 63005
(b)(6)
(b)(6) fax | (b)(4); (b)(6) @mohela.com

* *
The information in this email is confidential and may be legally privileged. If you have received this email in error please notify the sender immediately. MOHELA reserves the right to record all email sent to and from this address and may, at its sole discretion, archive, monitor and/or review said email. MOHELA does not accept responsibility for any loss or damage arising from the use of this email or attachments. Any views or opinions expressed in this email are solely those of the author and do not necessarily represent those of MOHELA.
* *

From: Bubel, Susan
Sent: 14 Nov 2016 16:42:35 +0000
To: (b)(4); (b)(6) DLCapitalization
Cc: Jackson, Lateata;Chialastri, Taneka;Foss, Ian;Battle, Cynthia
Subject: RE: NAVI - CR 2785 Capitalization Question

Great No Problem have a good day!

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Monday, November 14, 2016 11:41 AM
To: Bubel, Susan; DLCapitalization
Cc: Jackson, Lateata; Chialastri, Taneka; Foss, Ian; Battle, Cynthia
Subject: RE: NAVI - CR 2785 Capitalization Question

No – thank you for the quick response. Just had to double check myself.

From: Bubel, Susan [mailto:Susan.Bubel@ed.gov]
Sent: Monday, November 14, 2016 11:38 AM
To: (b)(4); (b)(6) @navient.com>; DLCapitalization <DLCapitalization@ed.gov>
Cc: Jackson, Lateata <Lateata.Jackson@ed.gov>; Chialastri, Taneka <Taneka.Chialastri@ed.gov>; Foss, Ian <Ian.Foss@ed.gov>; Battle, Cynthia <Cynthia.Battle@ed.gov>
Subject: RE: NAVI - CR 2785 Capitalization Question

There are no PFH rules for REPAYE so interest should capitalize at the end of the forbearance. The only reason for delay would be if there was a deferment or forbearance that follows that is considered back to back.

Please let me know if you have any additional questions.

Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Monday, November 14, 2016 11:34 AM
To: DLCapitalization
Cc: Bubel, Susan; Jackson, Lateata
Subject: NAVI - CR 2785 Capitalization Question
Importance: High

Good Morning,

If a customer is in the initial 12 month RePAYE period and has a 4 month Forbearance that ends while the customer is still within the initial 12 month period, can the interest capitalize at the conclusion of the Forbearance or is it delayed until the borrower is no longer in RePAYE?

I believe the answer is yes, it can capitalize because the PFH rules are not applicable, but with the continued discussion on RePAYE and capitalization rules I wanted to confirm.

Thank you
(b)(4); (b)(6)

Navient

This E-Mail has been scanned for viruses.

From: Foss, Ian
Sent: 15 Dec 2016 14:19:07 +0000
To: Bubel, Susan;DLCapitalization;Chialastri, Taneka;Battle, Cynthia
Subject: RE: NAVI - CR 2785 QA follow-up Questions
Attachments: Additional Navient Questions Dec 2016.docx

See attached, and thanks for reformatting. (b)(5)

From: Bubel, Susan
Sent: Thursday, December 15, 2016 8:39 AM
To: DLCapitalization; Foss, Ian; Chialastri, Taneka; Battle, Cynthia
Subject: RE: NAVI - CR 2785 QA follow-up Questions

I cleaned up the format so you could read it but they did some table thing ☹

(b)(5)

Thanks,

Sue

From: DLCapitalization
Sent: Thursday, December 15, 2016 8:14 AM
To: Foss, Ian; Chialastri, Taneka; Battle, Cynthia
Subject: FW: NAVI - CR 2785 QA follow-up Questions

(b)(5)

I'll fix their formatting so you can read the questions better and draft responses.

Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6)@navient.com]
Sent: Tuesday, December 6, 2016 8:24 PM
To: DLCapitalization
Cc: Bubel, Susan; Jackson, Lateata; Washington, Patrice; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: NAVI - CR 2785 QA follow-up Questions

Good Evening,

We have the following questions related to items on the CR 2785 QA log.

(b)(5)

(b)(5)

(b)(5)

(b)(5)

Thank you,

(b)(4); (b)(6)

Navient

Project Manager

(b)(6)

Page 2180

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2181

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2182

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Bubel, Susan
Sent: 15 Dec 2016 13:39:09 +0000
To: DLCapitalization;Foss, Ian;Chialastri, Taneka;Battle, Cynthia
Subject: RE: NAVI - CR 2785 QA follow-up Questions
Attachments: Additional Navient Questions Dec 2016.docx

I cleaned up the format so you could read it but they did some table thing ☹

(b)(5)

Thanks,

Sue

From: DLCapitalization
Sent: Thursday, December 15, 2016 8:14 AM
To: Foss, Ian; Chialastri, Taneka; Battle, Cynthia
Subject: FW: NAVI - CR 2785 QA follow-up Questions

(b)(5)

I'll fix their formatting so you can read the questions better and draft responses.

Sue

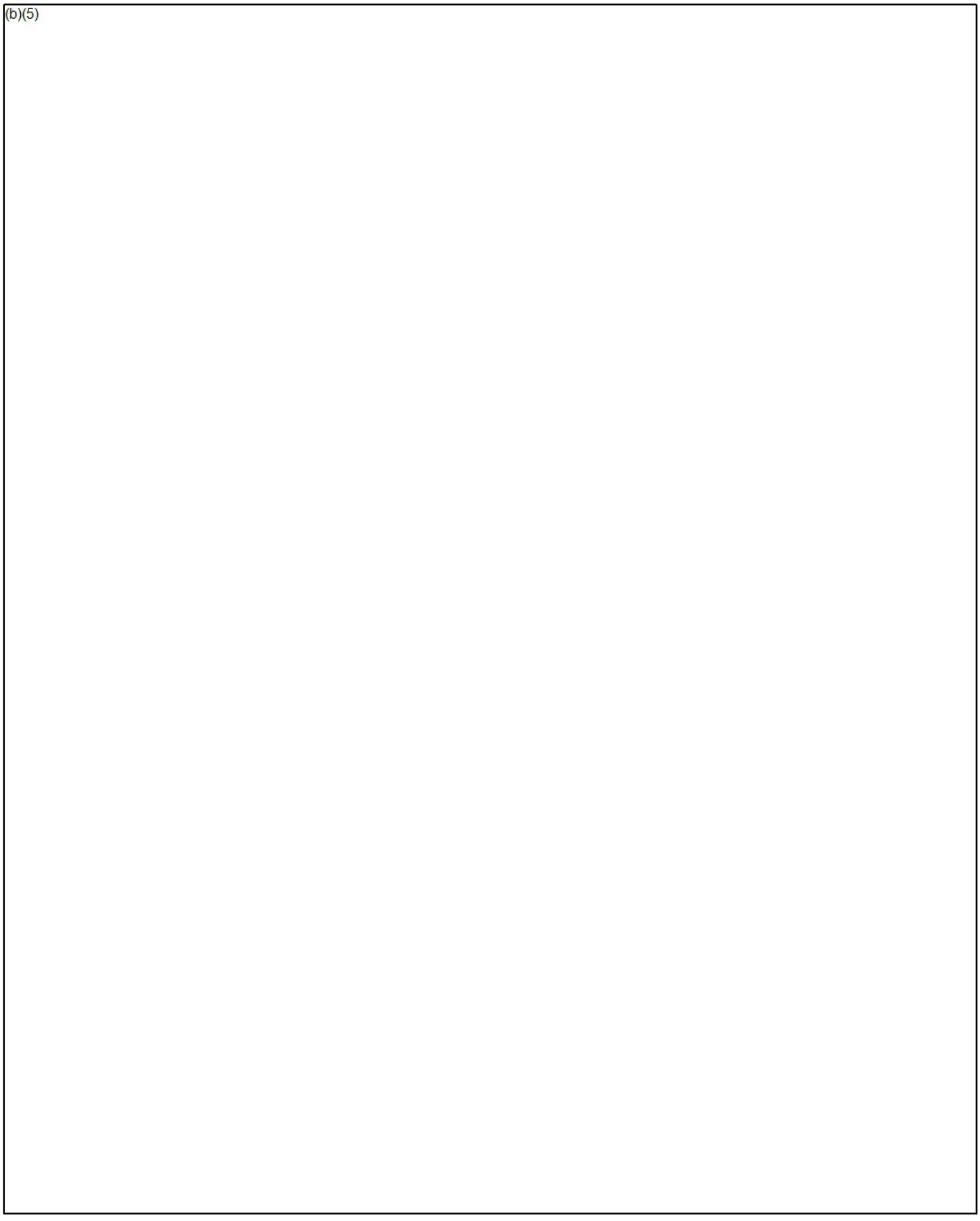
From: (b)(6) [mailto:(b)(6)@navient.com]
Sent: Tuesday, December 6, 2016 8:24 PM
To: DLCapitalization
Cc: Bubel, Susan; Jackson, Lateata; Washington, Patrice; (b)(6)
(b)(6)
Subject: NAVI - CR 2785 QA follow-up Questions

Good Evening,

We have the following questions related to items on the CR 2785 QA log.

(b)(5)

(b)(5)


(b)(5)

(b)(5)

Thank you,

(b)(4); (b)(6)

Navient

Project Manager

(b)(6)

Page 2187

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2188

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2189

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Foss, Ian
Sent: 15 Dec 2016 14:32:24 +0000
To: Bubel, Susan;DLCapitalization;Chialastri, Taneka;Battle, Cynthia
Subject: RE: NAVI - CR 2785 QA follow-up Questions

Thanks, (b)(5)

(b)(5)

From: Bubel, Susan
Sent: Thursday, December 15, 2016 9:24 AM
To: Foss, Ian; DLCapitalization; Chialastri, Taneka; Battle, Cynthia
Subject: RE: NAVI - CR 2785 QA follow-up Questions

Thanks for the comments and I think we may need to chat internally before responding.

(b)(5)

Thanks,

Sue

From: Foss, Ian
Sent: Thursday, December 15, 2016 9:19 AM
To: Bubel, Susan; DLCapitalization; Chialastri, Taneka; Battle, Cynthia
Subject: RE: NAVI - CR 2785 QA follow-up Questions

See attached, and (b)(5)

From: Bubel, Susan
Sent: Thursday, December 15, 2016 8:39 AM
To: DLCapitalization; Foss, Ian; Chialastri, Taneka; Battle, Cynthia
Subject: RE: NAVI - CR 2785 QA follow-up Questions

I cleaned up the format so you could read it but they did some table thing ☹

(b)(5)

Thanks,

Sue

From: DLCapitalization
Sent: Thursday, December 15, 2016 8:14 AM
To: Foss, Ian; Chialastri, Taneka; Battle, Cynthia
Subject: FW: NAVI - CR 2785 QA follow-up Questions

(b)(5)

I'll fix their formatting so you can read the questions better and draft responses.

Sue

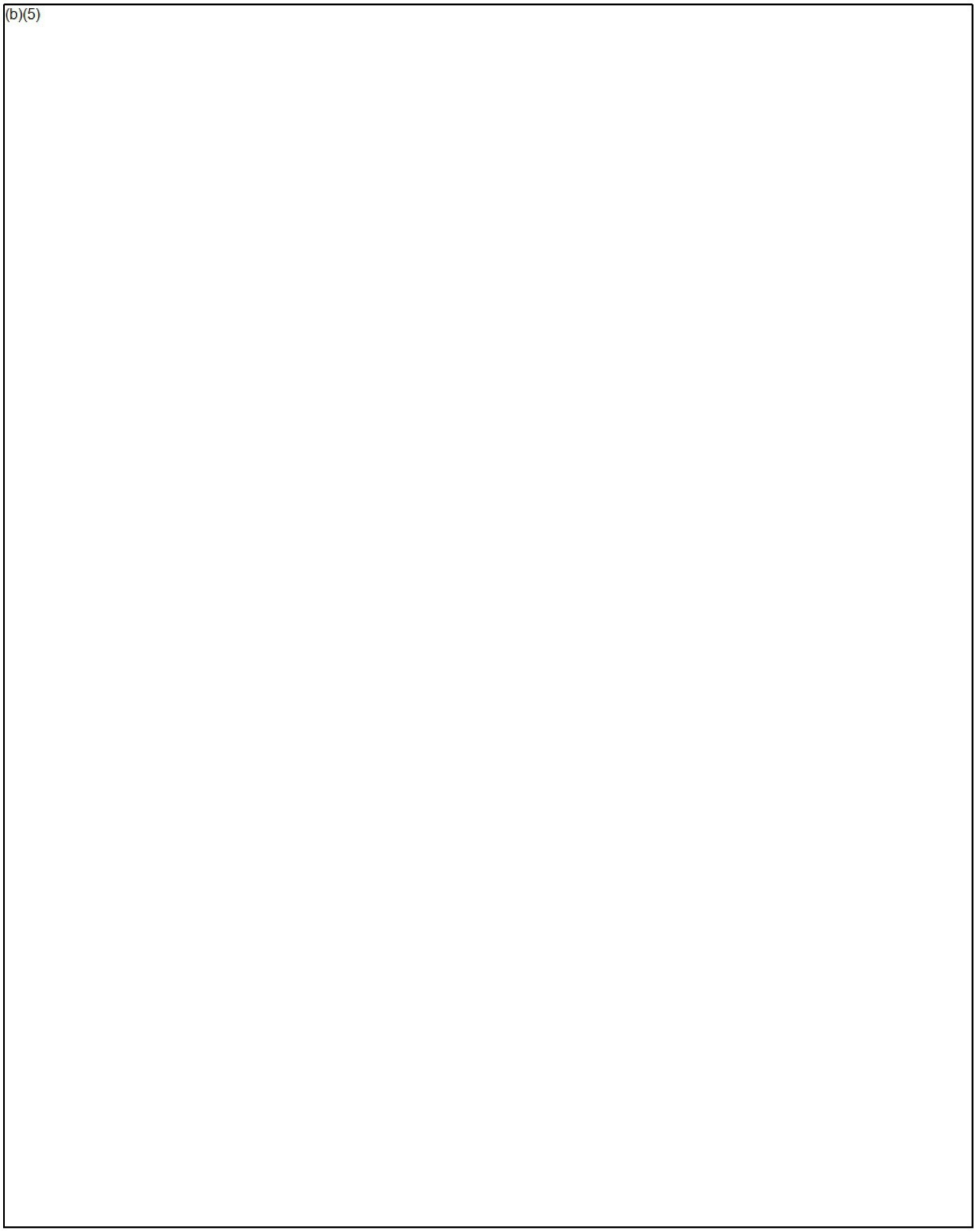
From: (b)(6) [mailto:(b)(6)@navient.com]
Sent: Tuesday, December 6, 2016 8:24 PM
To: DLCapitalization
Cc: Bubel, Susan; Jackson, Lateata; Washington, Patrice; (b)(6)
(b)(6)
Subject: NAVI - CR 2785 QA follow-up Questions

Good Evening,

We have the following questions related to items on the CR 2785 QA log.

(b)(5)

(b)(5)


(b)(5)

(b)(5)

Thank you,

(b)(4); (b)(6)

Navient

Project Manager

(b)(6)

From: Bubel, Susan
Sent: 8 Feb 2017 15:25:08 +0000
To: Jackson, Lateata
Cc: CM_Validation;Battle, Cynthia;Chialastri, Taneka;Foss, Ian
Subject: RE: Navient CR 2785 Validation artifacts

Thanks!

From: Jackson, Lateata
Sent: Wednesday, February 8, 2017 10:20 AM
To: Bubel, Susan
Cc: CM_Validation; Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: Re: Navient CR 2785 Validation artifacts

I just asked Navient to resend them.

La Teata Jackson
Change Management Division
Desk - 202-377-3269

On Feb 8, 2017, at 10:09 AM, Bubel, Susan <Susan.Bubel@ed.gov> wrote:

> Do you folks have CR 2785 artifacts submitted back in June 2016? Please forward those to me.
>
> Thanks,
>
> Sue
>
> ---
>
> **From:** Bubel, Susan
> **Sent:** Tuesday, February 7, 2017 1:27 PM
> **To:** CM_Validation; Jackson, Lateata
> **Cc:** Battle, Cynthia; Chialastri, Taneka; Foss, Ian
> **Subject:** Navient CR 2785 Validation artifacts
>
> Good afternoon,
>
> Navient was supposed to have delivered their CR2785 validation artifacts yesterday. I have not seen anything yet, did they happen to send to any of you folks? If so can you please forward ASAP? We have a review scheduled with them for Friday afternoon and I would like to have as much time as possible to review the artifacts before the review.
>
> Thanks,
>
> Sue
>
> **Sue Bubel, PMP** | Management and Program Analyst, Business Operations | Federal Student Aid
> 830 First Street NE, Washington, DC 20202
> P: (202) 377-4389 | susan.bubel@ed.gov



From: Bubel, Susan
Sent: 25 Feb 2016 17:53:14 +0000
To: Battle, Cynthia;Chialastri, Taneka
Cc: Foss, Ian
Subject: RE: Navient Question Regarding Supplemental File: CR 2785

Okie Dokie,
Thanks,
Sue

From: Battle, Cynthia
Sent: Thursday, February 25, 2016 12:41 PM
To: Bubel, Susan; Chialastri, Taneka
Cc: Foss, Ian
Subject: RE: Navient Question Regarding Supplemental File: CR 2785

(b)(5)

From: Bubel, Susan
Sent: Thursday, February 25, 2016 12:32 PM
To: Battle, Cynthia; Chialastri, Taneka
Cc: Foss, Ian
Subject: RE: Navient Question Regarding Supplemental File: CR 2785

(b)(5)

From: Jackson, Lateata
Sent: Thursday, February 25, 2016 11:50 AM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: FW: Navient Question Regarding Supplemental File: CR 2785

Follow-up questions from Navient
Good morning.

(b)(5)

Thanks.
(b)(4); (b)(6)
Navient
(b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, January 27, 2016 2:00 PM
To: (b)(4); (b)(6) @navient.com>; Washington, Patrice <Patrice.Washington@ed.gov>
Cc: (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com>; Washington, Patrice <Patrice.Washington@ed.gov>
Subject: RE: CR 2785 - Follow Up Questions
(b)(4); (b)(6)

Please see FSA responses below.

Good Morning,
We are working through the CR2785 impacts and requirements and a few questions have come up specific to the non-capping usage. Specifically;

(b)(5)

(b)(5)

From: (b)(4); (b)(6) [mailto: (b)(4); (b)(6) @navient.com]
Sent: Wednesday, January 20, 2016 10:14 AM
To: Washington, Patrice; Jackson, Lateata
Cc: (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6)
Subject: CR 2785 - Follow Up Questions

Good Morning,

We are working through the CR2785 impacts and requirements and a few questions have come up specific to the non-capping usage. Specifically;

(b)(5)

Thank you,

(b)(4); (b)(6) PMP
Navient
Projeect Manager

This E-Mail has been scanned for viruses.

From: (b)(4); (b)(6)
Sent: 3 Mar 2015 19:06:21 +0000
To: Jackson, Lateata;Lamphier, Katharine;Jones, Amber K.
Cc: Washington, Patrice;(b)(4); (b)(6) Battle, Cynthia;(b)(4); (b)(6) (b)(4); (b)(6) Bubel, Susan;Foss, Ian;Meadows, Kim;(b)(4); (b)(6) (b)(4); (b)(6) (b)(4); (b)(6)
Subject: RE: Navient Requirements Clarification - CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Attachments: J116_E_X_2014_1216.pdf, P099_ED_2014_1011.pdf, P102_ED_2014_1011.pdf

Good Afternoon,
I wanted to summarize our conversation from this morning to ensure we have interpreted the responses in to accurate assumptions and tasks as well as provide you with the requested documentation. Please feel free to respond with any clarification to the below summary.
The J116 attachment is our Neg Am Cap notification letter. This is the annual letter that is sent to customers advising of the potential cap amount if they do not pay down the value prior to the cap date of 7/31 (or later if in an entitlement period).
The P102 and P099 attachments is a copy of a standard billing statement that a customer may receive. Customers also have the options of receiving coupon booklets, or electronic communication. This attachment represents the standard billing language we would use.
Summary of Requirement Clarification:

(b)(5)

(b)(5)

Other:

(b)(5)

Thank you,

(b)(4); (b)(6)

(b)(4); (b)(6)
Lender Services - IT
Navient
220 Lasley Ave, Wilkes-Barre, PA 18706
(b)(6)
(b)(4); (b)(6) @navient.com
Navient.com

-----Original Appointment-----

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Tuesday, March 03, 2015 10:33 AM
To: Jackson, Lateata; (b)(4); (b)(6) Lamphier, Katharine; Jones, Amber K.
Cc: Washington, Patrice; (b)(4); (b)(6) Battle, Cynthia; Bubel, Susan; Foss, Ian; Meadows, Kim
Subject: Navient Requirements Clarification - CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
When: Tuesday, March 03, 2015 10:00 AM-11:00 AM (UTC-06:00) Central Time (US & Canada).
Where: CONFERENCE CALL ONLY - Conference Call (b)(6) participants (b)(6)

Due to inclement weather we are making this a conference call only. No meeting room will be available for this meeting.

This meeting is to provide clarification to some recent Q&As submitted by Navient. If white boarding would be helpful to Navient please feel free to join FSA in the room or set-up some alternative meeting medium.

(b)(5)

(b)(5)

(b)(5)

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NAVIENT | Department of Education Loan Servicing

U.S. Department of Education
Information about your federal student loan

PO BOX 9635
WILKES-BARRE, PA 18773-9635

(800) 722-1300

Interest Statement 12/25/14

MAKE CHECK PAYABLE TO:
Navient-Department of Education Loan Services
SEND CHECKS TO OUR PAYMENT ADDRESS:
PO BOX 740351
Atlanta GA 30374-0351
ACCOUNT NUMBER:
9705380334-1

(b)(6)

T0C3INT++++++++++++++++++++++++++++++++++++

CURRENT PHONE IS: EBRPHONE++++++

Changed your address or phone number?

Please visit Navient.com to update your information.

Please detach and return with payment.

ACCRUED INTEREST AMOUNT
$TTOTNGAM++

Negative Amortization Interest

Currently, your loan(s) listed below has a payment amount that is less then the interest that accrues each month, resulting in unpaid interest. This unpaid interest is called negative amortization interest.

This letter is to inform you that any outstanding negative amortization interest that you've accrued up to June 30 will be capitalized (added to the outstanding principal balance) on July 31.

You have the opportunity to pay this interest before it capitalizes, which will save you money in the long run. Remember, repayment of this loan(s) and any applicable interest is your responsibility.

How much will capitalize?
If you do not pay the negative amortization interest before July 31, $TTOTNGAM++ will be capitalized and added to your loan(s).

How do I pay toward the interest?
To pay any of this interest now, please use the attached payment coupon to ensure it's applied correctly. Any additional amount you pay in excess of the interest will be applied to the principal balance of your loan(s).

Please make your check or money order payable to Navient - Department of Education Loan Services and send it along with this letter to:

Navient - Department of Education Loan Services
P.O. Box 740351
Atlanta, GA 30374-0351

All payments must be made in U.S. dollars and drawn on a U.S. bank.

Will this happen again?
Capitalization of unpaid negative amortization interest accrued through June 30 will occur every July 31 of each year until an amount that's equal to 10% of your loan's principal balance on the date you entered repayment has been capitalized. Once this maximum amount is reached, negative amortization interest will continue to accrue but will not capitalize.

What if my loan goes into deferment or forbearance? If your loan is in a deferment or forbearance period on July 31 your negative amortization interest will not capitalize. However, it **will** capitalize at the end of the deferment or forbearance period. To avoid the capitalization, we encourage you to pay the negative amortization interest before the deferment or forbearance period ends.

Questions? You're welcome to visit us online at Navient.com, or call us toll free at 800-722-1300. We're here to help you Monday - Thursday 8 a.m. to 9 p.m., and Friday 8 a.m. to 8 p.m., ET.

We appreciate the opportunity to help you navigate the path to financial success.

Sincerely,

Navient - Department of Education Loan Servicing

Important Disclosures:

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

Loan Information

Loans listed below are the loans referred to in this letter

LOAN DATE	ORIGINAL LOAN AMOUNT	OUTSTANDING PRINCIPAL	INTEREST RATE	LOAN PROGRAM
HLNDSBDT	$HDISBPRN++	$HHOTPRIN+++	HIRATE	HPROGRAM++
HLNDSBDT	$HDISBPRN++	$HHOTPRIN+++	HIRATE	HPROGRAM++
HLNDSBDT	$HDISBPRN++	$HHOTPRIN+++	HIRATE	HPROGRAM++
HLNDSBDT	$HDISBPRN++	$HHOTPRIN+++	HIRATE	HPROGRAM++
HLNDSBDT	$HDISBPRN++	$HHOTPRIN+++	HIRATE	HPROGRAM++
HLNDSBDT	$HDISBPRN++	$HHOTPRIN+++	HIRATE	HPROGRAM++
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HLNDSBDT	$HDISBPRN++	$HHOTPRIN+++	HIRATE	HPROGRAM++

NAVIENT | Department of Education Loan Servicing

PO BOX 9635
WILKES-BARRE PA 18773-9635

JOHN Q BORROWER
ADDRESS-LINE-1----------
ADDRESS-LINE-2----------
CITY---------- XX 99999-9999

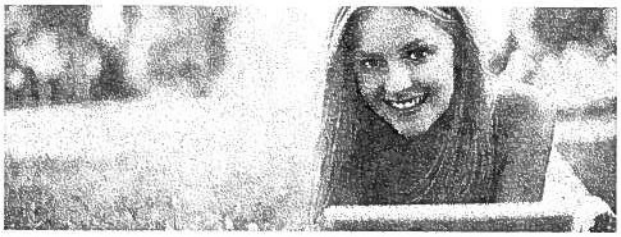
U.S. Department of Education
Information about your federal student loan

Navient.com
Convenience with a click

Please see the enclosed for important information about account terms relating to payments, credit reporting, and how to contact us.

Say hello to

NAVIENT℠



Although our name is new, our business is not. For more than 40 years we learned, evolved, and led in loan management, servicing, and asset recovery.

Have you checked us out yet?

Visit us at Navient.com! Log in using the same user ID and password you've always used. If you don't already have an online account, create one today—it has everything you need to view, manage, and repay your loans.

Be sure to bookmark Navient.com for future use.

Bookmark us today!

Scan to access your account at Navient.com.

CC-14-10395

Account Summary

Account Number	XXXXXXXXXXXX
Billing Group ⓘ	XXXX
Statement Date	10/ 11/ 14
Billing Period	XXXXXXXXXXXXXXXXXXXX
Current Principal Balance	XXXXXXXXXX
Payments Since Last Bill	XXXXXXXXXX
Past Due Amount (Pay Now)	**XXXXXXXXXX**
Pay Past Due Amount by XXXXXXXX to avoid late fee of	XXXXXXXXX
Current Amount Due	**XXXXXXXXXX**
Current Amount Due Date	XXXXXXX
Pay **Current Amount Due** (+ any **Past Due Amount**) by XXXXXXXX to avoid additional late fee of	XXXXXXXXX
Previously Assessed Fees Due	**XXXXXXXXXX**
Total Payment Due (Past Due + Current + Previously Assessed Fees)	**XXXXXXXXXX**

See enclosed for loan details

Detach along perforation and return with your payment or go to Navient.com to make an electronic payment

Account Number XXXXXXXXXXXX

Total Payment Due XXXXXXXXXX

See above for dates and late fees that apply

Total Amount Enclosed $_ _ _ _ _ . _ _

Make checks payable to Navient
(U.S. Currency only-Do not send cash)

NAVIENT - DEPARTMENT OF EDUCATION LOAN SERVICES
PO BOX 740351
ATLANTA GA 30374-0351

Changed your address or phone number?
Please visit Navient.com to update your information.

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

234567890115807899

P099 SYSTEM 0000 BBLS1

Loan Information as of 10/11/14

Loan ID	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Current Balance	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Accrued, Unpaid Interest	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Previously Assessed Fees (i)	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Current Principal Balance	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Original Principal Balance	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Capitalized Interest (i)	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Capitalized Fees (i)	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Principal Reduction	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Life of Loan Payments	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Total Principal Paid	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Total Interest Paid	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Total Fees Paid	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX

Billing Period Summary XXXXXXXXXXXXXXXXXXX

Loan ID	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Payments Received	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Applied to Interest	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Applied to Fees	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Applied to Principal	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Total Fees Assessed (i)	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Late Fee	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Returned Item Fee	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Forbearance Fee	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Other Fees	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX

Loan Details

Loan ID	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Loan Date	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	
Loan Program	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	
Interest Rate	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	
(F-Fixed; V-Variable)	X	X	X	X	X	X	X	X	X	X	
Total Payment Due	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Past Due Amount	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Current Amount Due	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Previously Assessed Fees Due	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Pay Past Due Amount by XXXXXXX to avoid late fee	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Pay Current Amount (+ any Past Due Amount) by XXXXXXX to avoid late fee	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX

Account Number: XXXXXXXXXXXX

MAKE YOUR PAYMENTS
QUICKLY & SECURELY ONLINE! **Navient.com**

Create or log in to your account at Navient.com to make a one-time secure online payment. Or, you can enroll in automatic debit.

PAYMENTS

Please visit Navient.com/allocation for more detailed information including illustrative examples about how your payments are allocated across all your loans.

How do you allocate my payment across my loans on this statement? We automatically allocate your payments across your loans as follows: if you include your remittance slip, pay by automatic debit, or pay online, your payment will go first to any delinquent loans in the billing group for which the payment was made, prorated based on the Past Due Amount. Once all loans are current, the payment will go to each loan in the billing group, prorated according to its monthly payment amount, or a lesser amount if some of the monthly payment amount has previously been paid. If a monthly payment amount has not been established (for example, if your loans aren't yet in repayment), your payment will be allocated among all your loans on a prorated basis, first to each loan's outstanding interest and then to the principal. If you do not pay the Current Amount Due on your statement, every loan in the billing group may become delinquent, may be reported to the consumer reporting agencies, and may be subject to a late fee.

If your payment is received without a remittance slip and the payment matches the Total Payment Due on your statement, it will be allocated as described above. If, however, your payment does not exactly match the Total Payment Due on your statement, it will be allocated across all loans as described above, including loans in different billing groups that have the same payment address as the address to which you mailed your payment.

Once we allocate a payment to a specific loan or loans, payments are applied based on the terms of each loan's promissory note, usually first to fees, then to outstanding interest, and then to principal.

How can I be sure my payments are allocated correctly and on a timely basis? To ensure accurate and timely processing of your payment, you can send it with the included remittance slip, pay by automatic debit, or pay online at Navient.com.

You can instruct us to allocate payments differently. Clearly write your instructions on **a separate piece of paper** included with your check. We cannot process instructions written on the check or remittance slip.

If my account is current, what happens if I pay more than my Current Amount Due? When you pay more than your minimum payment, the extra funds will be applied to your Current Balance. If the extra funds are less than the amount of your next month's payment, your next payment will not be reduced and will be due as usual. If the extra funds are equal to or more than the amount of your next month's payment, we will advance your payment due date by the number of full payments that are covered by the extra funds. For example, if the extra funds are equal to four additional monthly payments, you would not have another payment due for four months. If you are enrolled in Auto Debit, your monthly payment amount will be withdrawn as usual.

You have the option to instruct us to not advance your due date. Not advancing your due date may result in a shorter repayment term, less interest accruing on your loan, and a lower total cost of repaying your loan as compared to your due date being advanced. If you are paying by paper check, you can instruct us to not advance your payment due date by clearly writing your instructions on **a separate piece of paper** included with your check. If you make a payment online at Navient.com, you will choose at that time whether you want any extra funds to apply toward future payments and, if applicable, advance your payment due date.

What repayment options are available? Various repayment plan options are available for Direct and FFELP loans, including Standard, Graduated, Extended, and other income-driven plans, including Income-Based, Pay As You Earn, Income-Contingent and Income-Sensitive. Log in to your account at Navient.com to view the available options, or call us for more information. You can also obtain information about these plans at StudentAid.ed.gov.

FREQUENTLY ASKED QUESTIONS

What is a billing group? If you have multiple loans, we may automatically put them in a billing group. Each billing group has its own statement that shows all of the loans within that group. If you prefer a separate statement for each loan, please call us.

How does interest accrue? Daily. To find out how much interest accrues daily, use this simple formula: (Unpaid Principal x Interest Rate) ÷ 365.25 = **Approximate Daily Interest**. Approximate Daily Interest x Number of Days in Your Billing Period = **Approximate Interest Due**

Need More Information? To find out more information about your loan including how interest accrues, obtaining a payoff amount, or an explanation of common fees that may be charged on your account, go to Navient.com or call one of our customer service representatives.

IMPORTANT DISCLOSURES

Disputed Sums: Payments pursuant to a disputed sum or balance and/or regarding which you demand complete or partial satisfaction for a loan must be sent to: Navient, P.O. Box 3800, Wilkes-Barre, PA 18773-3800, with a description of the alleged dispute and the remedy sought. As provided in the underlying loan note(s), Navient reserves the right to accept the payment and deny the requested relief whether or not it returns or refunds such payments.

Impact of Late Payments on Borrower Benefits: You may lose eligibility for borrower benefits or repayment incentives if you don't make your scheduled payments on time. If your FFELP Loan borrower benefit is an interest-rate reduction, and you default on the loan(s), the applicable interest rate, as defined by law, will be reinstated.

Electronic Check Processing: When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account, or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

Life of Loan Payments: The amount may not reflect amounts paid to prior servicers.

Accessing Your Online Account at Navient.com: If you've been notified that one or more of your federal loans was sold, or if your Navient online loan summary page states that one or more of your loans has been sold to the Department of Education, please review the Department of Education Loans section when you're accessing your online account.

CONTACT INFORMATION

CUSTOMER SERVICE
800-722-1300 – TDD: 877-713-3833 – Fax: 866-266-0178
International: 1-317-806-0580 – International Fax: 1-570-706-8563
Monday - Thursday 8 a.m. to 9 p.m., and Friday 8 a.m. to 8 p.m., ET

CORRESPONDENCE ADDRESS
Navient - Department of Education Loan Services
P.O. Box 9635
Wilkes-Barre, PA 18773-9635

BORROWER PAYMENT ADDRESS
Navient - Department of Education Loan Services
P.O. Box 740351
Atlanta, GA 30374-0351

We support our troops! Servicemembers, to learn more about your benefits, please call us at 855-284-4879.

2345678901 15807899

P102 SYSTEM 0000 SUM91

Loan Information as of 10/11/14

Loan ID	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Current Balance	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Accrued, Unpaid Interest	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Previously Assessed Fees ⓘ	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Current Principal Balance	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Original Principal Balance	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Capitalized Interest ⓘ	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Capitalized Fees ⓘ	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Principal Reduction	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Life of Loan Payments	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Total Principal Paid	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Total Interest Paid	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Total Fees Paid	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX

Billing Period Summary XXXXXXXXXXXXXXXXXX

Loan ID	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Payments Received	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Applied to Interest	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Applied to Fees	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Applied to Principal	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Total Fees Assessed ⓘ	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Late Fee	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Returned Item Fee	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Forbearance Fee	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Other Fees	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX

Loan Details

Loan ID	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Loan Date	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	
Loan Program	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	
Interest Rate	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	
(F-Fixed; V-Variable)	X	X	X	X	X	X	X	X	X	X	
Total Payment Due	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Past Due Amount	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Current Amount Due	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Unpaid Fees Due	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Pay Past Due Amount by XXXXXXX to avoid late fee	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX
Pay Current Amount (+ any Past Due Amount) by XXXXXXX to avoid late fee	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX

Account Number: XXXXXXXXXXXX

From: Meadows, Kim
Sent: 4 Mar 2015 06:19:17 -0600
To: Bubel, Susan;Battle, Cynthia;Jackson, Lateata;Foss, Ian
Subject: RE: Navient Requirements Clarification - CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

(b)(5)

My two cents ☺

Kim Meadows
Federal Student Aid, Internal Controls Division
U.S. Department of Education
830 First St. NE Washington DC 20202
(202)377-3058
kim.meadows@ed.gov
www.FederalStudentAid.gov
Start Here. Go Further

From: Bubel, Susan
Sent: Tuesday, March 03, 2015 5:56 PM
To: Battle, Cynthia; Jackson, Lateata; Meadows, Kim; Foss, Ian
Subject: RE: Navient Requirements Clarification - CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

(b)(5)

Thanks,
Sue

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Tuesday, March 03, 2015 2:06 PM
To: Jackson, Lateata; Lamphier, Katharine; Jones, Amber K.
Cc: Washington, Patrice; (b)(4); (b)(6) Battle, Cynthia; Nethery, Brenda; Bubel, Susan; Foss, Ian;

Meadows, Kim; (b)(4); (b)(6)
(b)(4); (b)(6)

Subject: RE: Navient Requirements Clarification - CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Good Afternoon,

I wanted to summarize our conversation from this morning to ensure we have interpreted the responses in to accurate assumptions and tasks as well as provide you with the requested documentation. Please feel free to respond with any clarification to the below summary.

The J116 attachment is our Neg Am Cap notification letter. This is the annual letter that is sent to customers advising of the potential cap amount if they do not pay down the value prior to the cap date of 7/31 (or later if in an entitlement period).

The P102 and P099 attachments is a copy of a standard billing statement that a customer may receive. Customers also have the options of receiving coupon booklets, or electronic communication. This attachment represents the standard billing language we would use.

Summary of Requirement Clarification:

(b)(5)

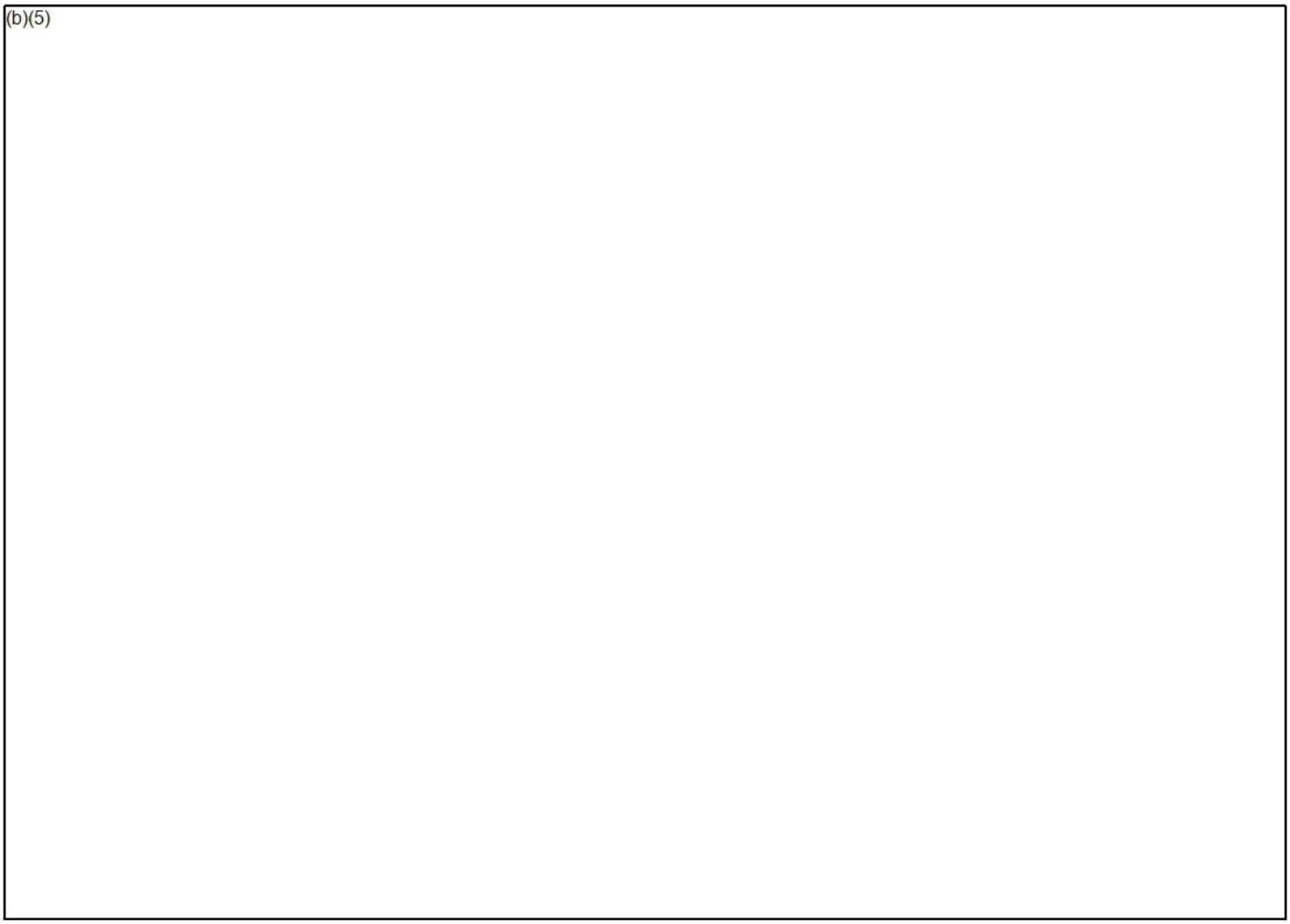
Thank you,

(b)(5)

NAVIENT
(b)(4); (b)(6)
Lender Services - IT
Navient
220 Lasley Ave, Wilkes-Barre, PA 18706

(b)(6)
(b)(4); (b)(6) @navient.com
Navient.com
-----Original Appointment-----
From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Tuesday, March 03, 2015 10:33 AM
To: Jackson, Lateata; (b)(6) Lamphier, Katharine; Jones, Amber K.
Cc: Washington, Patrice; (b)(6) Battle, Cynthia; Bubel, Susan; Foss, Ian; Meadows, Kim
Subject: Navient Requirements Clarification - CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
When: Tuesday, March 03, 2015 10:00 AM-11:00 AM (UTC-06:00) Central Time (US & Canada).
Where: CONFERENCE CALL ONLY - Conference Call -1-866-453-4894 participants 7437229
Due to inclement weather we are making this a conference call only. No meeting room will be available for this meeting.
This meeting is to provide clarification to some recent Q&As submitted by Navient. If white boarding would be helpful to Navient please feel free to join FSA in the room or set-up some alternative meeting medium.

(b)(5)



This E-Mail has been scanned for viruses.

From: Jackson, Lateata
Sent: 3 Mar 2015 09:31:30 -0600
To: Battle, Cynthia;Bubel, Susan;Foss, Ian;Meadows, Kim
Subject: RE: Navient Requirements Clarification - CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Oops, I meant Ladies and Gentleman,
Since no one responded I will make this a conference call only.

From: Jackson, Lateata
Sent: Tuesday, March 03, 2015 8:33 AM
To: Battle, Cynthia; Bubel, Susan; Foss, Ian; Meadows, Kim
Subject: Navient Requirements Clarification - CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Ladies,
I will be remote for this meeting. Will any of you be in the conference room or should I make the meeting just a conference call?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Curran, Frank D.
Sent: 14 Jan 2016 14:09:18 +0000
To: Foss, Ian
Cc: Battle, Cynthia;Bubel, Susan;Chialastri, Taneka
Subject: RE: Neg Reg - Issue 8 - Rehabilitation Capitalization
Attachments: Re: TIVAS Debt Collection requirements

OK – so here's what I can find…..but not sure it helps solve anything. (b)(5)

(b)(5)

From: Foss, Ian
Sent: Thursday, January 14, 2016 6:32 AM
To: Curran, Frank D.
Cc: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka
Subject: Fwd: Neg Reg - Issue 8 - Rehabilitation Capitalization

Hi Frank,

(b)(5)

Thanks,
Ian

Begin forwarded message:

From: (b)(6) @navient.com>
Date: January 14, 2016 at 05:53:39 EST
To: "'Foss, Ian'" <Ian.Foss@ed.gov>
Subject: Neg Reg - Issue 8 - Rehabilitation Capitalization

Ian – (b)(5)

(b)(5)

Rehabilitated Loans					
20	Upon a Direct Loan borrower's completion of a loan rehabilitation program, are TIVAS permitted to capitalize interest that accrued during rehabilitation as is done for FFELP loans?	Yes. Position paper created.	06/08/10	FSA reached the same conclusion.	Frank Curran had let her know this was no longer an issue. 06.08.10

From: Vigna, Dwight
Sent: 11 Jun 2010 06:15:23 -0500
To: Curran, Frank D.;McCullough, Sandra;Gabrielli, Adele
Subject: Re: TIVAS Debt Collection requirements

(b)(5)

Dwight Vigna
US Department of Education
Federal Student Aid
Business Operations - Program Management Services
Director, Default Division
Work - 202-377-3436
Cell - 202-359-4869

Sent from my BlackBerry Wireless Handheld

From: Curran, Frank D.
To: Vigna, Dwight; McCullough, Sandra; Gabrielli, Adele
Sent: Fri Jun 11 06:05:38 2010
Subject: TIVAS Debt Collection requirements

(b)(5)

I want to send the attached out as the FINAL phase 3 debt collection requirements to the tivas today if I can --- so let me know what you think

309.03	The servicer shall place the borrower on a payment plan that will not increase the borrower's payment to an amount higher than the monthly payment amount that was being paid while at the default servicer	Rehabs
309.04	The Servicer shall not capitalize interest and collection costs when a rehab loan is initially sent to the servicer. Interest may be capitalized after initial load to servicer system due to deferment/forbearance conditions.	Rehabs

From: Foss, Ian
Sent: 14 Jan 2016 11:42:49 +0000
To: Curran, Frank D.
Subject: Re: Neg Reg - Issue 8 - Rehabilitation Capitalization

Thanks.

On Jan 14, 2016, at 06:39, Curran, Frank D. <Frank.Curran@ed.gov> wrote:

> Yep. I will check it out when I get in.
>
> ---
>
> **From:** Foss, Ian [Ian.Foss@ed.gov]
> **Sent:** Thursday, January 14, 2016 06:32 AM
> **To:** Curran, Frank D.
> **Subject:** Fwd: Neg Reg - Issue 8 - Rehabilitation Capitalization
>
> Hi Frank,
>
> Can you read the below and please let me know what you might remember about this?
>
> (b)(5)
>
> Thanks,
>
> Ian
>
> Begin forwarded message:
>
> > **From:** (b)(4); (b)(6) @navient.com>
> > **Date:** January 14, 2016 at 05:53:39 EST
> > **To:** "'Foss, Ian'" <Ian.Foss@ed.gov>
> > **Subject: Neg Reg - Issue 8 - Rehabilitation Capitalization**
> >
> > Ian – (b)(5)
> > (b)(5)

Rehabilitated Loans					
20	Upon a Direct Loan borrower's completion of a loan rehabilitation program, are TIVAS permitted to capitalize interest that accrued during rehabilitation as is done for FFELP loans?	Yes. Position paper created.	06/08/10	FSA reached the same conclusion.	Frank Curran had let her know this was no longer an issue. 06.08.10

From: (b)(4); (b)(6)
Sent: 15 Jan 2016 14:32:20 +0000
To: Foss, Ian
Subject: RE: Neg Reg - Issue 8 - Rehabilitation Capitalization

Thanks. (b)(5)
(b)(5)

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Friday, January 15, 2016 9:29 AM
To: (b)(4); (b)(6)
Subject: RE: Neg Reg - Issue 8 - Rehabilitation Capitalization

So you know, I've checked in with Frank, (b)(5)
(b)(5)

(b)(4); (b)(6)

From: Foss, Ian
Sent: Thursday, January 14, 2016 6:43 AM
To: (b)(4); (b)(6)
Subject: Re: Neg Reg - Issue 8 - Rehabilitation Capitalization

This is helpful, Thanks.
I'm checking with others in a few things.
Don't you think that CR 1492 would have overridden this?

On Jan 14, 2016, at 05:53, (b)(4); (b)(6) @navient.com> wrote:

Ian – (b)(5)
(b)(5)

Rehabilitated Loans					
20	Upon a Direct Loan borrower's completion of a loan rehabilitation program, are TIVAS permitted to capitalize interest that accrued during rehabilitation as is done for FFELP loans?	Yes. Position paper created.	06/08/10	FSA reached the same conclusion.	Frank Curran had let her know this was no longer an issue. 06.08.10

<06-09-10 TIVAS Position Paper -- Ability to Cap Int after Loan Rehab -- 0610.pdf>

This E-Mail has been scanned for viruses.

From: Wright, Rosalizes
Sent: 9 Oct 2012 12:04:07 -0500
To: Curran, Frank D.;Buendia, Mario;Battle, Cynthia;Jackson, Lateata;Foss, Ian
Cc: Raling, Patricia
Subject: RE: NELNET & CR 1492 (capping) question?

No, (b)(5)

(b)(5)

Rosa

From: Curran, Frank D.
Sent: Tuesday, October 09, 2012 12:46 PM
To: Buendia, Mario; Wright, Rosalizes; Battle, Cynthia; Jackson, Lateata; Foss, Ian
Subject: NELNET & CR 1492 (capping) question?
Importance: High

(b)(5)

Frank Curran
202.377.3132

From: Curran, Frank D.
Sent: 9 Oct 2012 11:48:29 -0500
To: Foss, Ian;Buendia, Mario;Wright, Rosalizes;Battle, Cynthia;Jackson, Lateata
Subject: RE: NELNET & CR 1492 (capping) question?

(b)(5)

From: Foss, Ian
Sent: Tuesday, October 09, 2012 12:47 PM
To: Curran, Frank D.; Buendia, Mario; Wright, Rosalizes; Battle, Cynthia; Jackson, Lateata
Subject: RE: NELNET & CR 1492 (capping) question?

(b)(5)

From: Curran, Frank D.
Sent: Tuesday, October 09, 2012 12:46 PM
To: Buendia, Mario; Wright, Rosalizes; Battle, Cynthia; Jackson, Lateata; Foss, Ian
Subject: NELNET & CR 1492 (capping) question?
Importance: High

(b)(5)

Frank Curran
202.377.3132

From: Jackson, Lateata
Sent: 9 Oct 2012 12:55:41 -0500
To: Curran, Frank D.
Cc: Buendia, Mario;Wright, Rosalizes;Battle, Cynthia;Foss, Ian
Subject: Re: NELNET & CR 1492 (capping) question?

(b)(5)

On Oct 9, 2012, at 12:45 PM, "Curran, Frank D." <Frank.Curran@ed.gov> wrote:

(b)(5)

Frank Curran
202.377.3132

From: Dragoo, Janet
Sent: 22 Mar 2016 21:33:31 +0000
To: Foss, Ian
Cc: Oldre, Lisa;Bubel, Susan
Subject: RE: Nelnet Interest Capitalization

Nelnet is looking into the issue and will get back with me.

From: Foss, Ian
Sent: Tuesday, March 22, 2016 3:55 PM
To: Dragoo, Janet
Cc: Oldre, Lisa; Bubel, Susan
Subject: Re: Nelnet Interest Capitalization

No, I'm sorry! I thought that I got an out of the office message for you when I sent this. If you'd like his PII, I can call you. What's the best number?

On Mar 22, 2016, at 16:53, Dragoo, Janet <Janet.Dragoo@ed.gov> wrote:

Sorry. I had a lot going on yesterday and I forgot all about it. Do you have his PII?

From: Foss, Ian
Sent: Tuesday, March 22, 2016 3:52 PM
To: Oldre, Lisa
Cc: Dragoo, Janet; Bubel, Susan
Subject: Fwd: Nelnet Interest Capitalization

Since Janet appears to be out, can you help me get the facts from Nelent? I'm trying to get a sense of what happened, when, etc.

(b)(5)

Begin forwarded message:

From: "Foss, Ian" <Ian.Foss@ed.gov>
Date: March 21, 2016 at 12:22:18 EDT
To: "Dragoo, Janet" <Janet.Dragoo@ed.gov>
Subject: Fwd: Nelnet Interest Capitalization

Hi Janet,
Can we look into this, please? (b)(5)

(b)(5)

Ian

Begin forwarded message:

From: (b)(6) @gmail.com>
Date: March 21, 2016 at 11:30:43 EDT
To: ian.foss@ed.gov
Subject: Nelnet Interest Capitalization

Hi Ian,
Thanks so much for taking the time to speak to me about my loans today. To recap, my provider is Nelnet. I applied to switch from IBR to REPAYE by mistake, called to cancel and see I could undo capitalized interest, but they stated the interest would have to remain capitalized for leaving IBR. I want to see if I can undo the capitalization of interest, because I haven't received any benefit from REPAYE, and it is still processing (interest hasn't been added to principal yet either).
Thanks again for your help, and please let me know if you need any further information.
(b)(6)

From: Dragoo, Janet
Sent: 22 Mar 2016 20:56:35 +0000
To: Foss, Ian
Cc: Oldre, Lisa;Bubel, Susan
Subject: RE: Nelnet Interest Capitalization

You did get an out of office message. I am taking the complaint tracking training. It is done for today. My number is 214-422-4015

From: Foss, Ian
Sent: Tuesday, March 22, 2016 3:55 PM
To: Dragoo, Janet
Cc: Oldre, Lisa; Bubel, Susan
Subject: Re: Nelnet Interest Capitalization

No, I'm sorry! I thought that I got an out of the office message for you when I sent this. If you'd like his PII, I can call you. What's the best number?

On Mar 22, 2016, at 16:53, Dragoo, Janet <Janet.Dragoo@ed.gov> wrote:

Sorry. I had a lot going on yesterday and I forgot all about it. Do you have his PII?

From: Foss, Ian
Sent: Tuesday, March 22, 2016 3:52 PM
To: Oldre, Lisa
Cc: Dragoo, Janet; Bubel, Susan
Subject: Fwd: Nelnet Interest Capitalization

Since Janet appears to be out, can you help me get the facts from Nelent? I'm trying to get a sense of what happened, when, etc.

(b)(5)

Begin forwarded message:

From: "Foss, Ian" <Ian.Foss@ed.gov>
Date: March 21, 2016 at 12:22:18 EDT
To: "Dragoo, Janet" <Janet.Dragoo@ed.gov>
Subject: Fwd: Nelnet Interest Capitalization

Hi Janet,
Can we look into this, please? (b)(5)

(b)(5)

(b)(5)

Ian

Begin forwarded message:

From: (b)(6) @gmail.com>
Date: March 21, 2016 at 11:30:43 EDT
To: ian.foss@ed.gov
Subject: Nelnet Interest Capitalization

Hi Ian,
Thanks so much for taking the time to speak to me about my loans today. To recap, my provider is Nelnet. I applied to switch from IBR to REPAYE by mistake, called to cancel and see I could undo capitalized interest, but they stated the interest would have to remain capitalized for leaving IBR. I want to see if I can undo the capitalization of interest, because I haven't received any benefit from REPAYE, and it is still processing (interest hasn't been added to principal yet either).
Thanks again for your help, and please let me know if you need any further information.
(b)(6)

From: Oldre, Lisa
Sent: 23 Mar 2016 10:29:31 +0000
To: Foss, Ian
Cc: Dragoo, Janet;Bubel, Susan
Subject: Re: Nelnet Interest Capitalization

I see Janet responded

Sorry Ian all the liaisons are in the ECS training this week with limited access to email

We should be back on line, catching up on Friday

Lisa

From: Foss, Ian [Ian.Foss@ed.gov]
Sent: Tuesday, March 22, 2016 04:51 PM
To: Oldre, Lisa
Subject: Fwd: Nelnet Interest Capitalization

Since Janet appears to be out, can you help me get the facts from Nelent? I'm trying to get a sense of what happened, when, etc.

(b)(5)

Begin forwarded message:

> **From:** "Foss, Ian" <Ian.Foss@ed.gov>
> **Date:** March 21, 2016 at 12:22:18 EDT
> **To:** "Dragoo, Janet" <Janet.Dragoo@ed.gov>
> **Subject: Fwd: Nelnet Interest Capitalization**
>
> Hi Janet,

Can we look into this, please? (b)(5)

(b)(5)

Ian

Begin forwarded message:

From: (b)(6) @gmail.com>
Date: March 21, 2016 at 11:30:43 EDT
To: ian.foss@ed.gov
Subject: Nelnet Interest Capitalization

Hi Ian,

Thanks so much for taking the time to speak to me about my loans today. To recap, my provider is Nelnet. I applied to switch from IBR to REPAYE by mistake, called to cancel and see I could undo capitalized interest, but they stated the interest would have to remain capitalized for leaving IBR. I want to see if I can undo the capitalization of interest, because I haven't received any benefit from REPAYE, and it is still processing (interest hasn't been added to principal yet either).

Thanks again for your help, and please let me know if you need any further information.

(b)(6)

From: Foss, Ian
Sent: 22 Mar 2016 12:54:43 +0000
To: Bubel, Susan;Battle, Cynthia;Chialastri, Taneka
Subject: RE: Nelnet's question on 2785....

(b)(5)

(b)(5)

From: Bubel, Susan
Sent: Monday, March 21, 2016 4:07 PM
To: Foss, Ian; Battle, Cynthia; Chialastri, Taneka
Subject: Nelnet's question on 2785....

All,

(b)(5)

(b)(5)

(b)(5)

How do you think we should respond to Nelnet? Should we have a call with them to discuss?
Thanks,
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: Jackson, Lateata
Sent: 30 Mar 2016 19:34:35 +0000
To: Bubel, Susan
Cc: Chialastri, Taneka;Battle, Cynthia;Foss, Ian
Subject: Re: Nelnet's question on 2785....
Attachments: image001.png

I'll get it set up.

La Teata Jackson
Change Management Division
Desk - 202-377-3269

On Mar 30, 2016, at 2:53 PM, Bubel, Susan <Susan.Bubel@ed.gov> wrote:

LaTeata,
Can you set up a meeting with Nelnet (maybe Friday) to discuss this outstanding question so we can get a bit more detail and talk through how we want to address.

(b)(5)

Thanks,
Sue

From: Bubel, Susan
Sent: Monday, March 21, 2016 4:07 PM
To: Foss, Ian; Battle, Cynthia; Chialastri, Taneka
Subject: Nelnet's question on 2785....
All,

(b)(5)

How do you think we should respond to Nelnet? Should we have a call with them to discuss?
Thanks,
Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: Oknich, Mary
Sent: 10 Jun 2016 16:17:03 +0000
To: Foss, Ian
Subject: RE: Non-interest Capitalizing Administrative Forbearances

Hope you enjoy your detail – sounds very interesting.

From: Foss, Ian
Sent: Friday, June 10, 2016 12:10 PM
To: Oknich, Mary
Subject: Automatic reply: Non-interest Capitalizing Administrative Forbearances

Hi colleagues,

Starting Monday, June 13, I will be leaving on a detail to the Senate HELP Committee. The detail will end October 1. While I am away, my colleagues have graciously agreed to be points of contact for things that I have worked with you on. When you would have emailed me about something, included me in a message, or invited me to a meeting, please include them, as indicated below.

* For issues relating to the Direct Loan or FFEL Program, including loan servicing (repayment plans, interest accrual, payment application, IDR, PSLF, etc.), and unless otherwise specified below, please contact Jon Utz and Rachel Kane.
* For issues relating to comprehensive transition programs for student with intellectual disabilities, please contact Ashley Higgins.
* For issues relating to experimental sites, please contact David Musser.
* For issues relating the student loan forms, please contact Rachel Kane.

For all other issues, please contact Cynthia Hammond.

Thank you,

Ian Foss

From: Bubel, Susan
Sent: 12 Jun 2016 15:44:09 +0000
To: Battle, Cynthia
Cc: Foss, Ian;Chialastri, Taneka
Subject: RE: Non-interest Capitalizing Administrative Forbearances

(b)(5)

Thanks,
Sue

From: Battle, Cynthia
Sent: Friday, June 10, 2016 12:19 PM
To: Bubel, Susan
Cc: Foss, Ian; Chialastri, Taneka
Subject: FW: Non-interest Capitalizing Administrative Forbearances

(b)(5)

From: Foss, Ian
Sent: Friday, June 10, 2016 12:04 PM
To: Oknich, Mary; Battle, Cynthia
Cc: Utz, Jon; Kane, Rachel
Subject: RE: Non-interest Capitalizing Administrative Forbearances

685.221(e)(9), for example. Also 682.211(f)(11).

From: Oknich, Mary
Sent: Friday, June 10, 2016 11:57 AM
To: Foss, Ian
Subject: FW: Non-interest Capitalizing Administrative Forbearances

Can you provide the citations for the regulations and cap/forb rules for when a borrower fails to recertify? It may be that the advocate is referring to situations where the servicer has significant processing backlogs as well.

From: Foss, Ian
Sent: Friday, June 10, 2016 11:26 AM
To: Oknich, Mary; Battle, Cynthia
Subject: RE: Non-interest Capitalizing Administrative Forbearances

(b)(5)

From: Oknich, Mary
Sent: Friday, June 10, 2016 11:23 AM
To: Battle, Cynthia; Foss, Ian
Subject: FW: Non-interest Capitalizing Administrative Forbearances

Cindy and Ian,
Please see question below from an Advocate and provide a response.
Note the response will be posted to both the FAQ IFAP website and sent via email to this advocate.
Thanks for your assistance.

From: Frequently Asked Questions for Consumer Advocates
Sent: Friday, June 10, 2016 9:24 AM
To: Oknich, Mary
Subject: FW: Non-interest Capitalizing Administrative Forbearances

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @nclc.org]
Sent: Friday, May 20, 2016 4:40 PM
To: Frequently Asked Questions for Consumer Advocates
Subject: Non-interest Capitalizing Administrative Forbearances

Hi,

(b)(5)

Thank you.

(b)(4); (b)(6)

NCLC® NATIONAL CONSUMER LAW CENTER®

(b)(4); (b)(6)
Staff Attorney
National Consumer Law Center®
7 Winthrop Square, 4th Floor
Boston, MA 02110
(b)(6)
www.nclc.org
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From: Battle, Cynthia
Sent: 5 Dec 2011 13:45:33 -0600
To: Jackson, Lateata;Foss, Ian
Subject: RE: Notes from MOHELA meeting on CR 1492 today

- Please confirm the following scenario:

(b)(5)

From: Jackson, Lateata
Sent: Monday, December 05, 2011 2:41 PM
To: Battle, Cynthia; Foss, Ian
Subject: Notes from MOHELA meeting on CR 1492 today

Please correct anything I captured in error.

Below you will find the questions that MOHELA has in regards to CR 1492.

(b)(5)

(b)(5)

From: Jackson, Lateata
Sent: 24 Jan 2012 14:49:47 -0600
To: Battle, Cynthia;Foss, Ian;Walsh, Mark
Subject: RE: PHEAA CR ID 1492 Impact Analysis

The password to the artifact file is: (b)(6)

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: 8 May 2017 18:30:43 +0000
To: Bubel, Susan;Battle, Cynthia;Foss, Ian
Cc: Chialastri, Taneka
Subject: RE: PHEAA CR2785

I'll send out your full sent of comments when they are ready.

From: Bubel, Susan
Sent: Friday, May 05, 2017 5:00 PM
To: Battle, Cynthia; Jackson, Lateata; Foss, Ian
Cc: Chialastri, Taneka
Subject: PHEAA CR2785

Good Afternoon All,

(b)(5)

Have a great weekend and talk to you all on Monday.

Thanks,

Sue
Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: Bubel, Susan
Sent: 8 May 2017 21:33:29 +0000
To: Battle, Cynthia;Jackson, Lateata;Foss, Ian
Cc: Chialastri, Taneka
Subject: RE: PHEAA CR2785
Attachments: Comments on PHEAA CR 2785 Validation May 2017.docx

Good Evening,

(b)(5)

Talk to you all tomorrow.

Thanks,

Sue

From: Bubel, Susan
Sent: Friday, May 05, 2017 5:00 PM
To: Battle, Cynthia; Jackson, Lateata; Foss, Ian
Cc: Chialastri, Taneka
Subject: PHEAA CR2785

Good Afternoon All,

(b)(5)

Have a great weekend and talk to you all on Monday.

Thanks,

Sue
Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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(b)(5)

(b)(5)

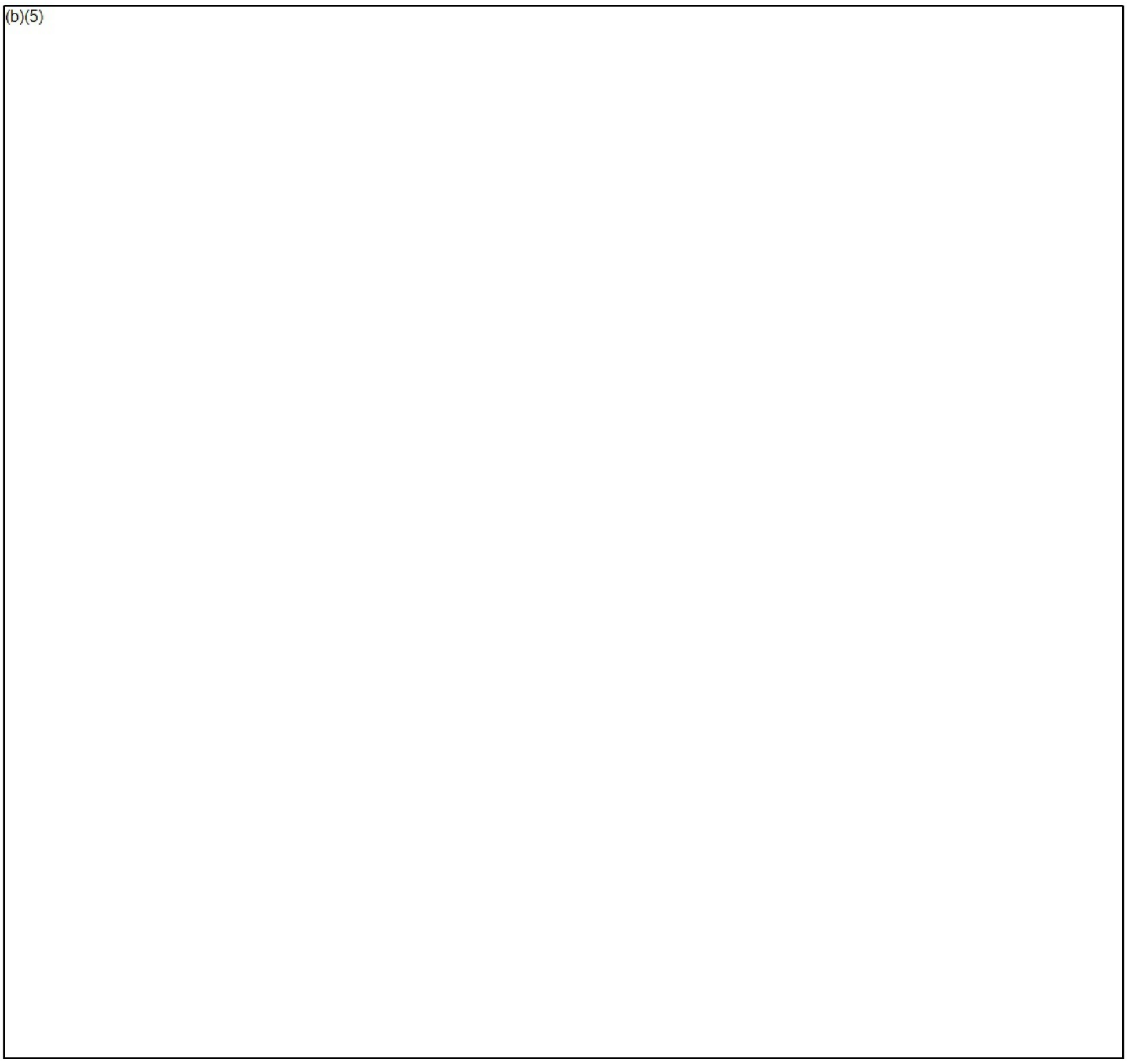
(b)(5)


(b)(5)

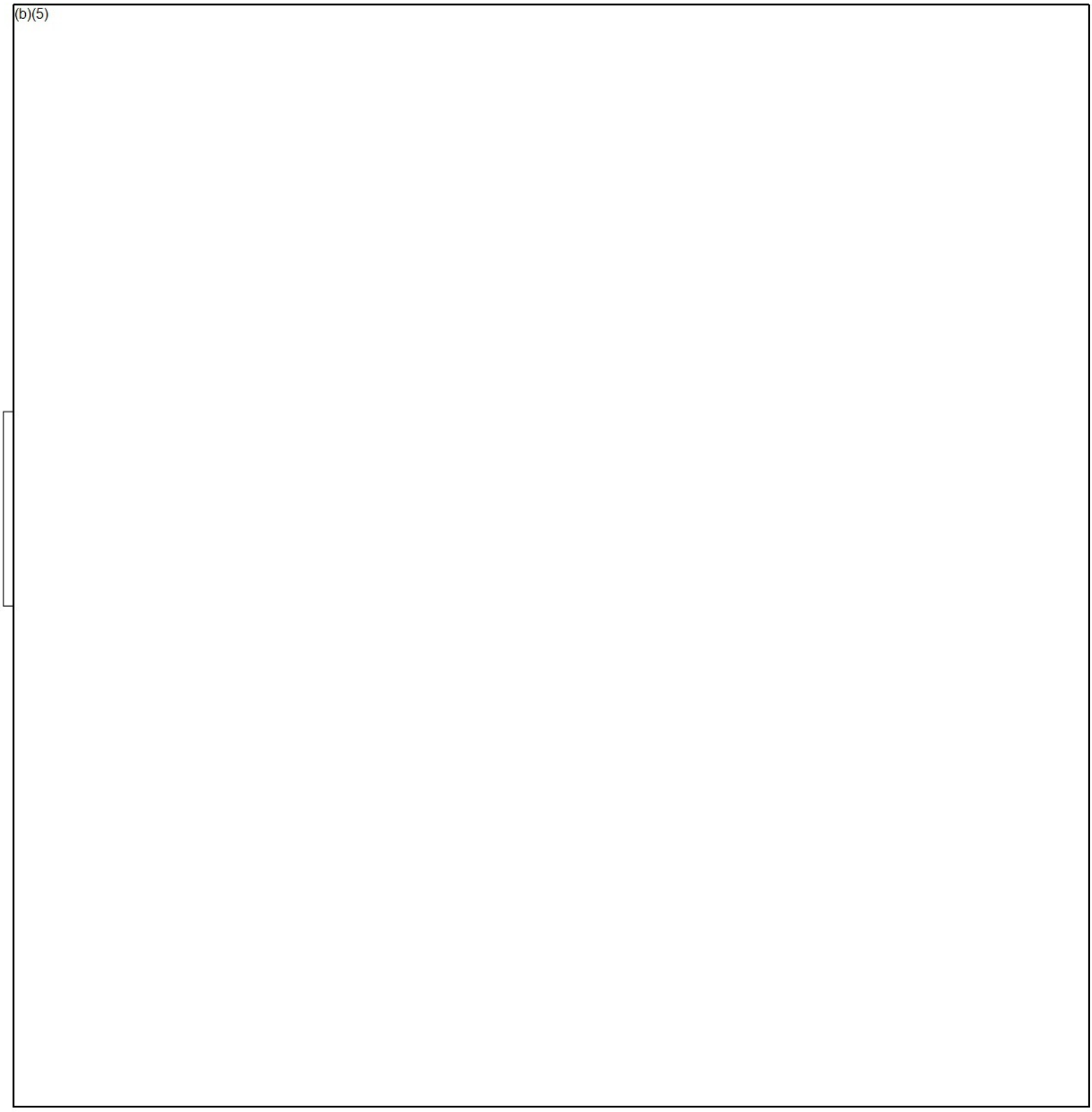
(b)(5)

(b)(5)

(b)(5)


(b)(5)

(b)(5)


(b)(5)

(b)(5)

From: Battle, Cynthia
Sent: 9 Dec 2011 09:10:34 -0600
To: Foss, Ian
Subject: RE: PHEAA Question on CR 1492

I guess not… I just hung up myself. Will send Lateata a note to see what happened…

From: Foss, Ian
Sent: Friday, December 09, 2011 10:10 AM
To: Battle, Cynthia
Subject: RE: PHEAA Question on CR 1492

Are we actually having this? It's been almost 10 minuets and the leader hasn't joined.

-----Original Appointment-----
From: Jackson, Lateata
Sent: Friday, December 09, 2011 9:57 AM
To: Jackson, Lateata; Foss, Ian; Battle, Cynthia; Connelly, Tammy; Washington, Patrice; Smith, Lynn; (b)(4); (b)(6) @aessuccess.org)'; ' @pheaa.org)'; (b)(4); (b)(6) @aessuccess.org)'
Subject: PHEAA Question on CR 1492
When: Friday, December 09, 2011 10:00 AM-11:00 AM (GMT-05:00) Eastern Time (US & Canada).
Where: Conference Call - (b)(6) participants (b)(6)

When: Friday, December 09, 2011 10:00 AM-11:00 AM (GMT-05:00) Eastern Time (US & Canada).

Where: Conference Call - (b)(6) participants (b)(6)

Note: The GMT offset above does not reflect daylight saving time adjustments.

~~*~*~*~*~*~*~*~*~*

-----Original Appointment-----
From: Jackson, Lateata
Sent: Tuesday, December 06, 2011 4:54 PM
To: Jackson, Lateata; Battle, Cynthia; Connelly, Tammy; Washington, Patrice; Smith, Lynn; (b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6) @aessuccess.org)'; @pheaa.org)'; (b)(4); (b)(6) @aessuccess.org)'

Subject: PHEAA Question on CR 1492 -
When: Friday, December 09, 2011 10:00 AM-11:00 AM (GMT-05:00) Eastern Time (US & Canada).
Where: Conference Call -1-866-453-4894 participants 7437229

Please invite others as may be necessary.

Additional PHEAA Question

(b)(5)

From: Foss, Ian
Sent: 2 Nov 2011 16:47:14 +0000
To: Battle, Cynthia
Subject: RE: PHEAA Questions Regarding CR 1492Mondragon,

(b)(5)

From: Battle, Cynthia
Sent: Tuesday, November 01, 2011 4:53 PM
To: Foss, Ian
Subject: FW: PHEAA Questions Regarding CR 1492Mondragon,

I got delayed… just wanted to verify our intent. Here are the PHEAA questions (my response / questions in red)

****

(b)(5)

Thanks,

(b)(4); (b)(6)

==========
=
This message contains privileged and confidential information intended for
the above addressees only. If you
receive this message in error please delete or destroy this message and/or
attachments.

The sender of this message will fully cooperate in the civil and criminal
prosecution of any individual engaging
in the unauthorized use of this message.
==========
=

From: Bubel, Susan
Sent: 2 Dec 2016 19:34:41 +0000
To: Foss, Ian;Battle, Cynthia;Chialastri, Taneka
Subject: RE: Please Confirm to FSA Your Implementation date for CR 2785.. my draft responses<<

Please let me know if you have any comments or corrections.

Thanks,

Sue

(b)(5)

From: Jackson, Lateata
Sent: Thursday, December 1, 2016 4:04 PM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: FW: Please Confirm to FSA Your Implementation date for CR 2785

Additional Navient questions.

La Teata Jackson
Change Management Division
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Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, December 01, 2016 3:33 PM
To: Jackson, Lateata
Cc: (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6)
Subject: RE: Please Confirm to FSA Your Implementation date for CR 2785

Good afternoon La Teata. I have been asked to follow up on some outstanding servicer questions related to CR 2785:

(b)(5)

Thank you!

(b)(4); (b)(6)

From: Bubel, Susan
Sent: 2 Dec 2016 16:36:30 +0000
To: Foss, Ian
Subject: RE: Please Confirm to FSA Your Implementation date for CR 2785.. my draft responses, we can talk about these at 2 also :)

(b)(5)

From: Jackson, Lateata
Sent: Thursday, December 1, 2016 4:04 PM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Subject: FW: Please Confirm to FSA Your Implementation date for CR 2785

Additional Navient questions.

La Teata Jackson
Change Management Division

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Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Thursday, December 01, 2016 3:33 PM
To: Jackson, Lateata
Cc: (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6)
Subject: RE: Please Confirm to FSA Your Implementation date for CR 2785

Good afternoon La Teata. I have been asked to follow up on some outstanding servicer questions related to CR 2785:

(b)(5)

Thank you!

(b)(4); (b)(6)

From: Bubel, Susan
Sent: 2 Dec 2016 12:50:02 +0000
To: Foss, Ian
Subject: RE: PLI guidance where Regs are silent (IDR interest capitalization scenarios)

Sure I have 2 meetings today 10:30 – 11 and 12- 12:30 any other time before 3 works for me , just let me know.

From: Foss, Ian
Sent: Thursday, December 1, 2016 6:50 PM
To: Bubel, Susan
Subject: Fwd: PLI guidance where Regs are silent (IDR interest capitalization scenarios)

Can we talk about this tomorrow? (b)(5)

(b)(5)

From: Bubel, Susan
Sent: Monday, November 21, 2016 2:48 PM
To: Foss, Ian
Cc: Battle, (b)(4); Chialastri, Taneka; Utz, Jon
Subject: RE: PLI guidance where Regs are silent

Good Afternoon Ian,

I am sure your plate has been filling up over the last few weeks and wanted to follow up on

(b)(5)

Sue

From: Utz, Jon
Sent: Wednesday, November 02, 2016 10:39 AM
To: Bubel, Susan
Cc: Battle, Cynthia; Chialastri, Taneka
Subject: RE: PLI guidance where Regs are silent

(b)(5)

From: Bubel, Susan
Sent: Wednesday, November 02, 2016 10:00 AM
To: Utz, Jon
Cc: Battle, Cynthia; Chialastri, Taneka
Subject: RE: PLI guidance where Regs are silent

Just following up to see if you have had a chance to look into this one yet.

Thanks,

Sue

From: Utz, Jon
Sent: Friday, October 14, 2016 12:58 PM
To: Bubel, Susan

Cc: Battle, Cynthia; Chialastri, Taneka
Subject: RE: PLI guidance where Regs are silent

Sue,

Yes, I've been tied up with other work, and these questions are rather complicated . I'm going to need more time to study them and perhaps consult with others. Unfortunately,

(b)(5)

Jon

From: Bubel, Susan
Sent: Thursday, October 13, 2016 3:54 PM
To: Utz, Jon
Cc: Battle, Cynthia; Chialastri, Taneka
Subject: RE: PLI guidance where Regs are silent

Good afternoon Jon,

I know you have been very busy, so I just wanted to follow up on this topic.

(b)(5)

Thanks again for your time and guidance.

Sue

From: Bubel, Susan
Sent: Thursday, October 06, 2016 2:46 PM
To: Utz, Jon
Cc: Battle, Cynthia; Chialastri, Taneka
Subject: RE: PLI guidance where Regs are silent

Jon,

Sorry to muddy the waters, but Navient just brought up a questions similar to these scenarios in August, Their question anfd our response is below:

(b)(5)

(b)(5)

(b)(5)

Thanks again, sorry for the confusion.

Sue

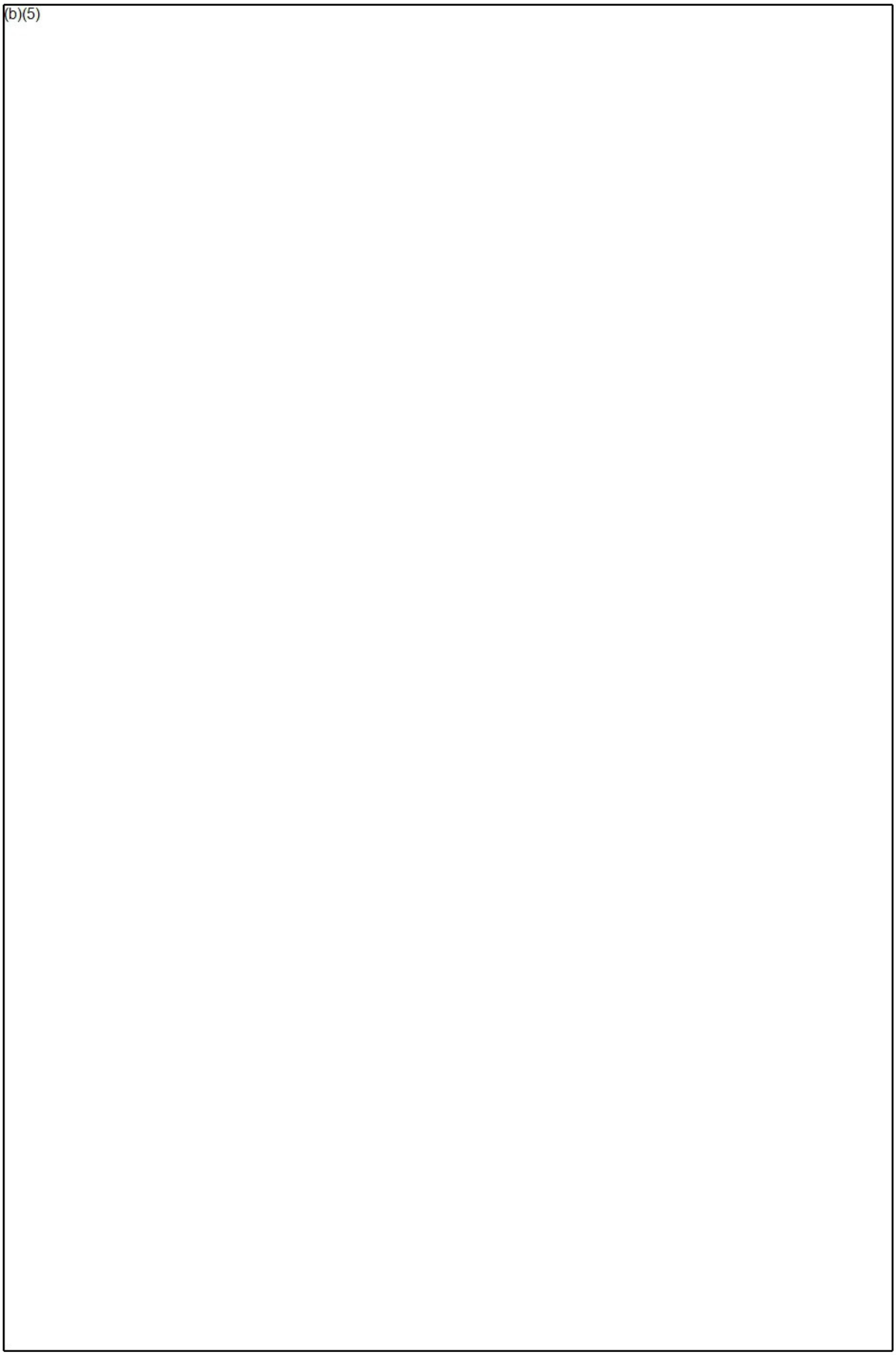
From: Bubel, Susan
Sent: Thursday, October 06, 2016 12:48 PM
To: Utz, Jon
Cc: Battle, Cynthia; Chialastri, Taneka
Subject: PLI guidance where Regs are silent

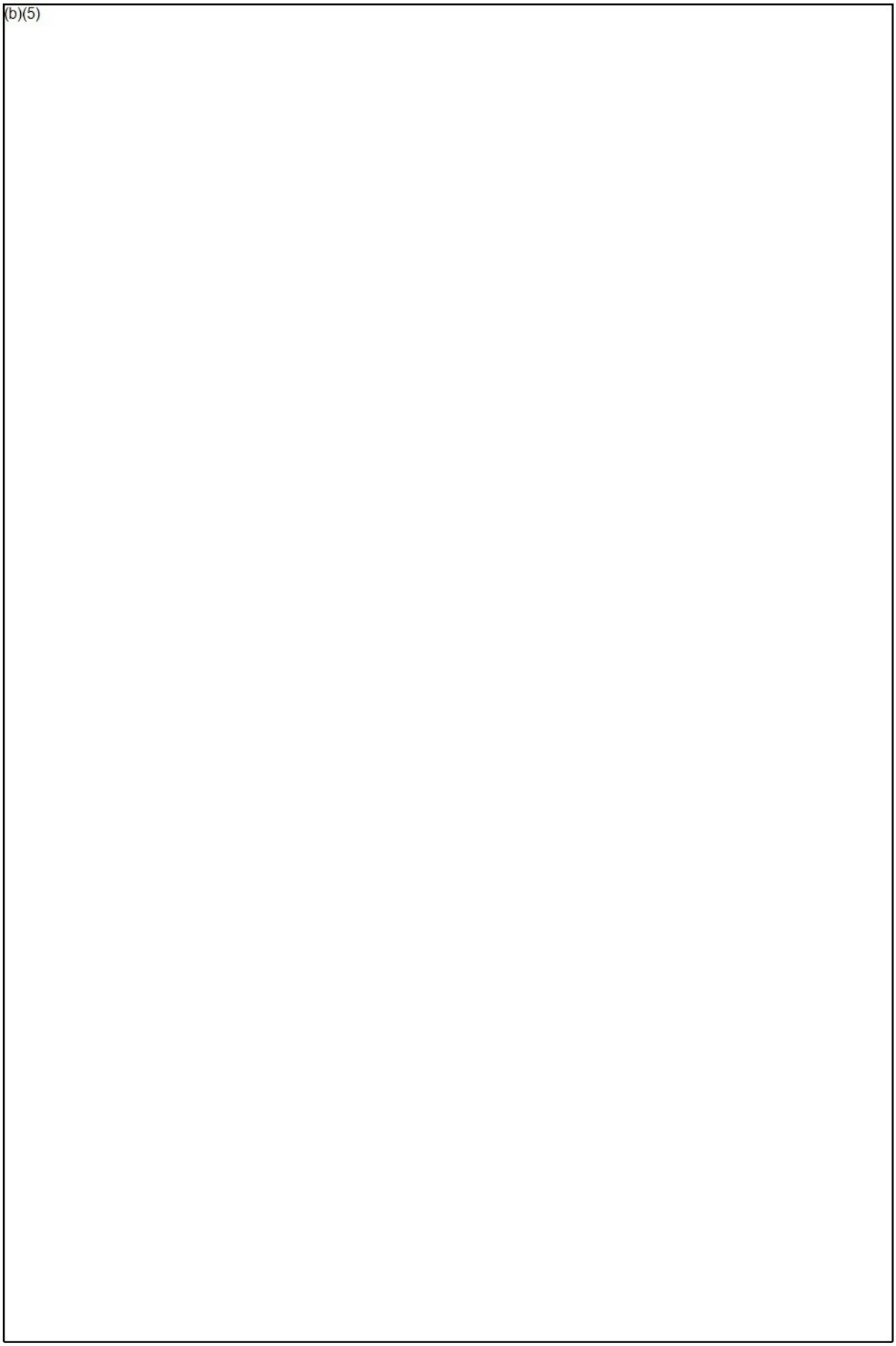
Good Evening ,

(b)(5)

(b)(5) Here are the scenarios presented by Great Lakes to help illustrate. Please let me know if you need more background or additional information. As always thank you so much for your time and assistance.

(b)(5)


(b)(5)


(b)(5)

(b)(5)

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
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From: Chialastri, Taneka
Sent: 20 Dec 2016 21:11:59 +0000
To: Foss, Ian
Cc: Utz, Jon;Battle, Cynthia
Subject: RE: PSLF - Administrative Forbearance and App question

I'll update the workbook. Thank you!

From: Foss, Ian
Sent: Tuesday, December 20, 2016 4:10 PM
To: Chialastri, Taneka
Cc: Utz, Jon; Battle, Cynthia
Subject: Re: PSLF - Administrative Forbearance and App question

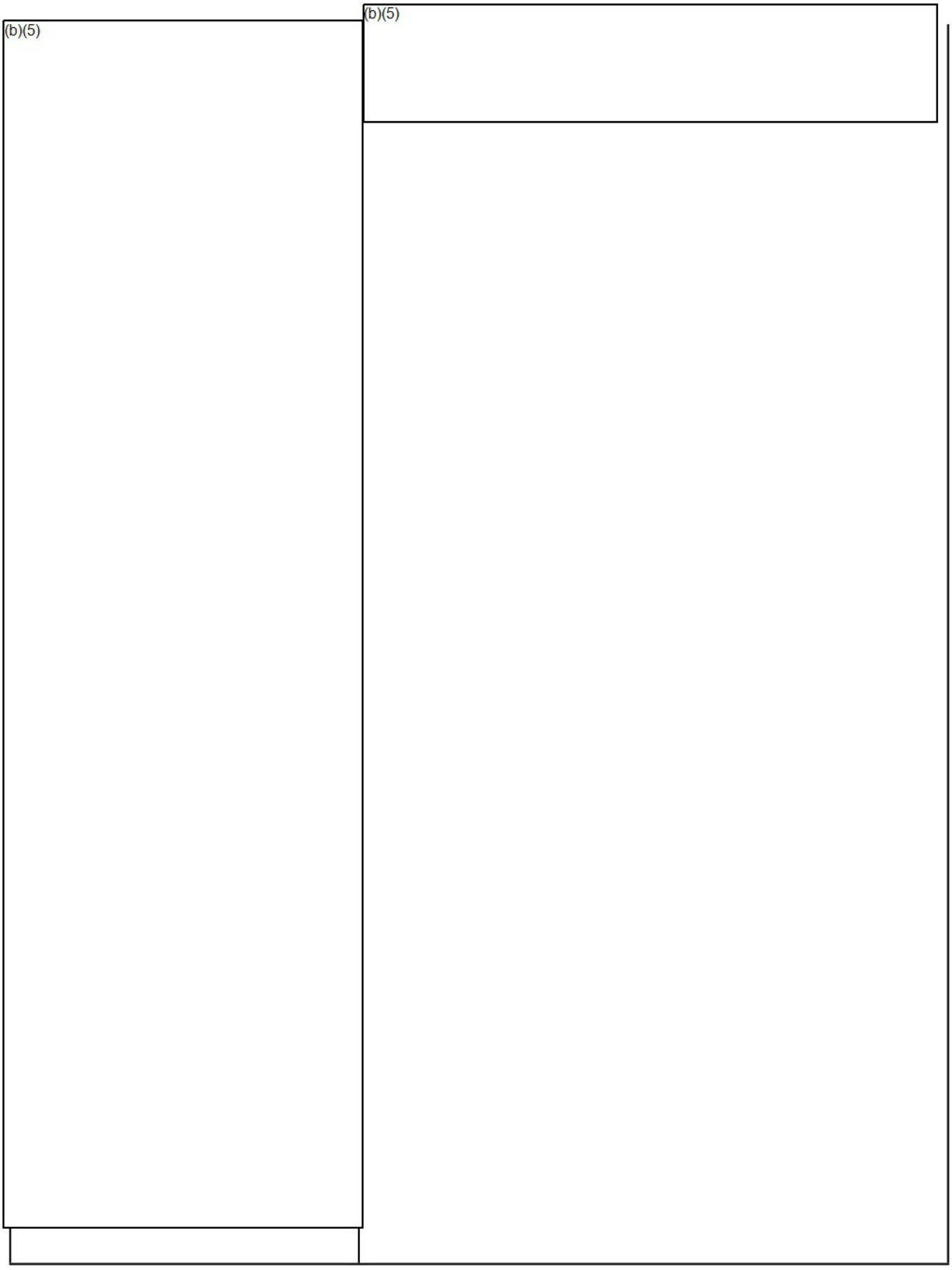
Regarding the first question, the FSA response is correct.

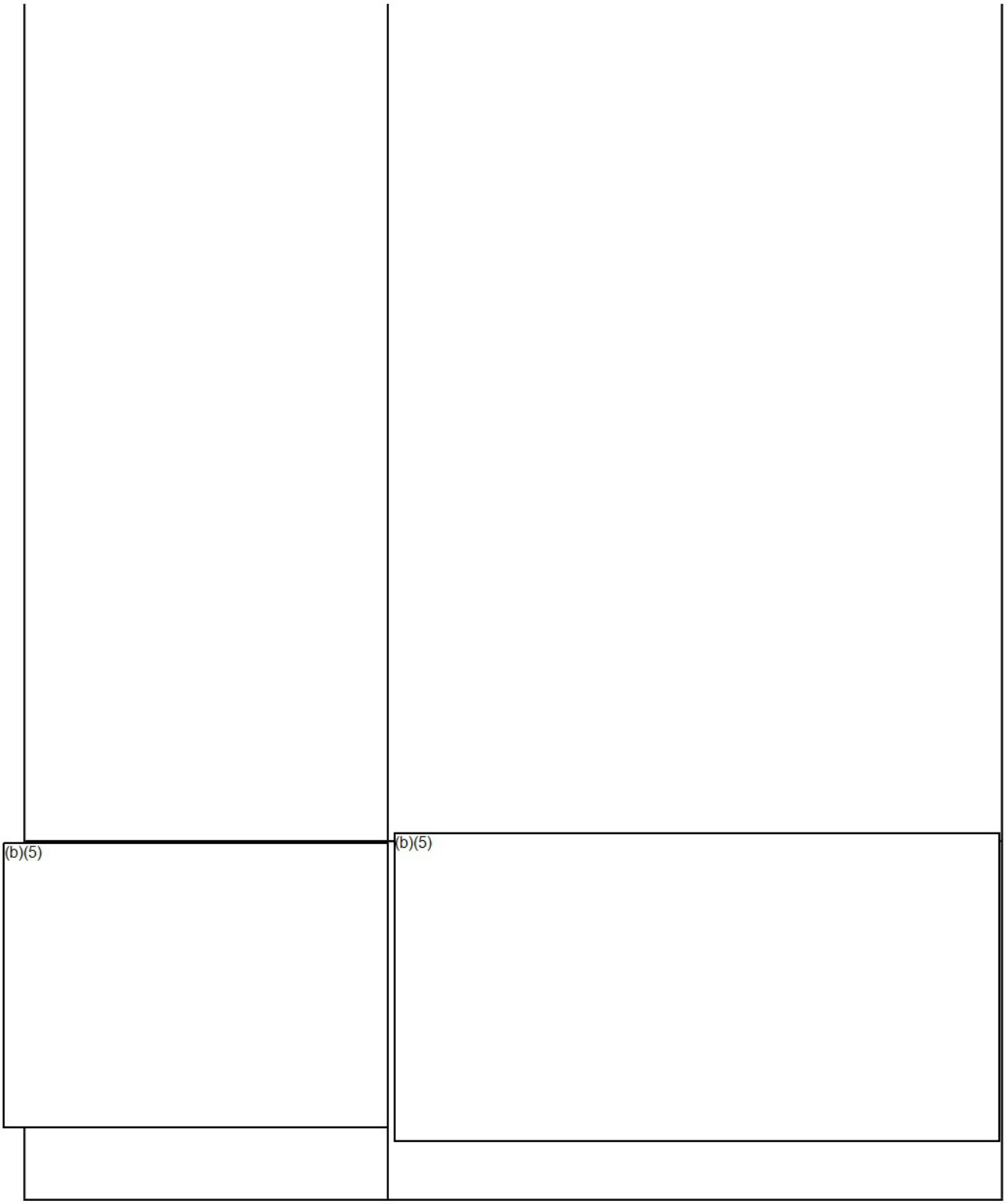
Regarding the second question, the regulations permit but do not require capitalization of interest when the borrower was granted an administrative forbearance and did not qualify. We don't *have* to capitalize. We would not capitalize interest if the borrower qualifies.

On Dec 12, 2016, at 12:31, Chialastri, Taneka <Taneka.Chialastri@ed.gov> wrote:

> Hi All,
>
> I'm getting ready to send out the revised PSLF Forgiveness CR and updated Q&A's. Below are two questions that are copied from the PSLF workbook. I think we landed on a response for the first question which I would like to confirm. The second question is regarding whether interest could should be capped before writing-off the loan balance for PSLF. (b)(5)
>
> (b)(5)
>
> Thanks, Taneka

FedLoan Question	FSA Response


(b)(5)
(b)(5)



From: Chialastri, Taneka
Sent: Monday, November 14, 2016 4:27 PM
To: Utz, Jon

Cc: Battle, Cynthia; Foss, Ian
Subject: RE: PSLF - Administrative Forbearance and App question

Hi Jon,

Thanks for sharing the email. (b)(5)

(b)(5)

Thanks,

Taneka

From: Utz, Jon
Sent: Monday, November 14, 2016 1:14 PM
To: Chialastri, Taneka
Cc: Battle, Cynthia; Foss, Ian
Subject: RE: PSLF - Administrative Forbearance and App question

Taneka,

(b)(5)

Ian: We spoke briefly about this and I believe you had some thoughts.

Jon

From: Chialastri, Taneka
Sent: Monday, November 14, 2016 12:30 PM
To: Utz, Jon
Cc: Battle, Cynthia; Foss, Ian
Subject: RE: PSLF - Administrative Forbearance and App question

Hi Jon,

I just wanted to follow-up on whether OPE responded regarding (b)(5)

(b)(5)

Thanks,

Taneka

From: Utz, Jon
Sent: Tuesday, September 27, 2016 5:07 PM
To: Chialastri, Taneka
Cc: Battle, Cynthia
Subject: RE: PSLF - Administrative Forbearance and App question

Taneka,

Thanks. (b)(5)

(b)(5)

(b)(5)

Jon

From: Chialastri, Taneka
Sent: Tuesday, September 27, 2016 11:21 AM
To: Utz, Jon
Cc: Battle, Cynthia
Subject: RE: PSLF - Administrative Forbearance and App question

Hi Jon,

You are correct about the preferred approach (day after the 120th payment made); however, (b)(5)

(b)(5)

(b)(5)

Thanks,

Taneka

From: Utz, Jon
Sent: Tuesday, September 27, 2016 10:52 AM
To: Chialastri, Taneka
Cc: Battle, Cynthia
Subject: RE: PSLF - Administrative Forbearance and App question

Taneka,

Unfortunately this is still an open issue. (b)(5)

(b)(5)

(b)(5)

Jon

From: Chialastri, Taneka
Sent: Tuesday, September 27, 2016 10:18 AM
To: Utz, Jon
Cc: Battle, Cynthia
Subject: RE: PSLF - Administrative Forbearance and App question

Good Morning, Jon

I just wanted to check if you had heard any updates from OPE on the loan amount to be forgiven when a borrower makes their 120th payment but delays applying for PSLF.

Thanks,

Taneka

From: Utz, Jon
Sent: Wednesday, September 14, 2016 10:40 AM
To: Chialastri, Taneka
Cc: Battle, Cynthia
Subject: RE: PSLF - Administrative Forbearance and App question

Taneka,

(b)(5)

(b)(5)

Jon

From: Chialastri, Taneka
Sent: Thursday, September 08, 2016 9:20 AM
To: Utz, Jon
Cc: Battle, Cynthia
Subject: RE: PSLF - Administrative Forbearance and App question

Thanks Jon. (b)(5)

(b)(5)

(b)(5)

Taneka

From: Utz, Jon
Sent: Wednesday, September 07, 2016 5:56 PM
To: Chialastri, Taneka
Cc: Battle, Cynthia
Subject: RE: PSLF - Administrative Forbearance and App question

Taneka,

(b)(5)

Jon

From: Chialastri, Taneka
Sent: Wednesday, September 07, 2016 5:03 PM
To: Utz, Jon
Cc: Battle, Cynthia
Subject: RE: PSLF - Administrative Forbearance and App question

Hi Jon,

(b)(5)

(b)(5)

(b)(5) I also saw your other email about the PSLF write-off – we are planning to move the implementation date out so we have time to answer all outstanding questions for this CR. Thanks (and have a good night), Taneka

<image001.jpg>

From: Utz, Jon
Sent: Wednesday, September 07, 2016 3:12 PM
To: Chialastri, Taneka
Cc: Battle, Cynthia
Subject: RE: PSLF - Administrative Forbearance and App question

Taneka,

(b)(5)

Jon

From: Chialastri, Taneka
Sent: Tuesday, August 30, 2016 1:40 PM
To: Utz, Jon
Cc: Battle, Cynthia
Subject: PSLF - Administrative Forbearance and App question

Hi Jon,

Last week, Cindy, LaRaba, and I drove up to Pennsylvania to meet with PHEAA on the CRs that Program Management drafted to handle PSLF Prepayment and the Forgiveness process. During our discussions a question came up regarding when PHEAA should be granting an administrative forbearance to borrowers turning in the PSLF application. In the

(b)(5)

Thanks, Taneka

Requirements from CR 3757

(b)(5)

(b)(5)

=========

Taneka Chialastri| Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
Office: 202-377-4390 | taneka.chialastri@ed.gov

From: Foss, Ian
Sent: 12 Apr 2017 15:13:19 +0000
To: Chialastri, Taneka
Subject: RE: PSLF application question - PH IA

Got it.

From: Chialastri, Taneka
Sent: Wednesday, 12 April, 2017 11:03
To: Foss, Ian
Subject: RE: PSLF application question - PH IA

Yeah (b)(5)

(b)(5)

Taneka

From: Foss, Ian
Sent: Wednesday, April 12, 2017 10:47 AM
To: Chialastri, Taneka
Subject: RE: PSLF application question - PH IA

Hey, small victories can have a large impact! Huzzah!

(b)(5)

From: Chialastri, Taneka
Sent: Wednesday, 12 April, 2017 10:02
To: Foss, Ian
Subject: RE: PSLF application question - PH IA

(b)(5)

(b)(5)

From: Foss, Ian
Sent: Monday, April 10, 2017 9:25 AM
To: Chialastri, Taneka
Cc: Battle, Cynthia
Subject: RE: PSLF application question

Hi Taneka,

The application is attached. It includes all changes to date, (b)(5)

(b)(5)

Ian

From: Chialastri, Taneka
Sent: Monday, 10 April, 2017 9:22
To: Foss, Ian
Cc: Battle, Cynthia
Subject: PSLF application question

Hi Ian!

Cindy and I are on a call with Contracts and FedLoan to try and get the PSLF Forgiveness CR funded and implemented! Can you send us the latest version of the draft and any changes that are going into the form based on public comments. I remember there being discussion about borrowers potentially opting out for forbearance.

Thanks,

Taneka

==========

Taneka Chialastri | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
Office: 202-377-4390 | Cell: 202-256-7842 | taneka.chialastri@ed.gov

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From: Foss, Ian
Sent: 5 Oct 2015 17:56:09 +0000
To: Bubel, Susan
Cc: Jackson, Lateata;Battle, Cynthia;Chialastri, Taneka
Subject: Re: Question: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Question

I am checking.

> On Oct 5, 2015, at 13:55, Bubel, Susan <Susan.Bubel@ed.gov> wrote:
>
(b)(5)
>
> -----Original Message-----
> From: Jackson, Lateata
> Sent: Monday, October 05, 2015 1:20 PM
> To: Bubel, Susan; Foss, Ian; Battle, Cynthia
> Cc: Chialastri, Taneka
> Subject: RE: Question: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Question
>
(b)(5)
> -----Original Message-----
> From: Bubel, Susan
> Sent: Friday, October 02, 2015 12:51 PM
> To: Foss, Ian; Jackson, Lateata; Battle, Cynthia
> Cc: Chialastri, Taneka
> Subject: RE: Question: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Question
>
(b)(5)
>
> Thant's what I was thinking :)
>
> -----Original Message-----
> From: Foss, Ian
> Sent: Friday, October 02, 2015 12:46 PM
> To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia
> Cc: Chialastri, Taneka
> Subject: Re: Question: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Question
(b)(5)
>
>
>
>
>> On 10/2/15, 12:41, "Bubel, Susan" <Susan.Bubel@ed.gov> wrote:
(b)(5)

>>
(b)(5)
>>
>> -----Original Message-----
>> From: Jackson, Lateata
>> Sent: Friday, October 02, 2015 12:35 PM
>> To: Bubel, Susan; Battle, Cynthia
>> Subject: FW: Question: CR 2785: Revised - Requirement Clarification for
>> CR 1492 Revised - Question
>>
>> Can you please provide a response?
>>
>>
(b)(4); (b)(6)
>> -----Original Message-----
>> From: Washington, Patrice
>> Sent: Tuesday, September 29, 2015 7:09 AM
>> To: Jackson, Lateata; Whittington, Rochelle; Miller, Debbie; (b)(4); (b)(6)
>> Onley, Nora; Samuels, Shaun
>> Cc: Connelly, Tammy; Smith, Lynn; Jones, Amber K.; Lamphier, Katharine;
>> Gibson, Karen; Galvez, Michelle
>> Subject: Question: CR 2785: Revised - Requirement Clarification for CR
>> 1492 Revised - Question
>>
>> See below question from Nelnet. Please let me know when a response is available.
>>
>> Thank you,
>>
>>
>> Patrice D. Washington
>> Contracting Officer's Representative
>> Federal Student Aid
>> Business Operations
>> 830 First Street, NE, 61A2
>> Washington, DC 20202
>> 202-377-3845 Office
>>
>>
>> -----Original Message-----
>> From: (b)(4); (b)(6) [mailto(b)(4); (b)(6) @nelnet.net]
>> Sent: Monday, September 28, 2015 3:57 PM
>> To: Washington, Patrice
>> Cc: Connelly, Tammy; Smith, Lynn; Jones, Amber K.; Lamphier, Katharine;
>> (b)(4); (b)(6)
>> Subject: CR 2785: Revised - Requirement Clarification for CR 1492
>> Revised - Question
>>
>> Hello,
>>
>> Nelnet has a clarification question regarding CR2785.
>>
(b)(5)

(b)(5)

>>
>> Thank you,
>>
>>
>(b)(4); (b)(6)
>> FSA Account Manager
>> Nelnet | Education Planning & Financing Lincoln, Nebraska Telephone
>(b)(6)
>> Cell: (b)(6)
>>
>(b)(4); (b)(6)

From: Jackson, Lateata
Sent: 5 Oct 2015 20:13:12 +0000
To: Foss, Ian;Bubel, Susan
Cc: Battle, Cynthia;Chialastri, Taneka
Subject: RE: Question: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Question

I will notify the COR. Thank you

-----Original Message-----
From: Foss, Ian
Sent: Monday, October 05, 2015 2:57 PM
To: Bubel, Susan
Cc: Jackson, Lateata; Battle, Cynthia; Chialastri, Taneka
Subject: Re: Question: CR 2785: Revised - Requirement Clarification for CR 1492 Revised - Question

Jon and I agree that the balance on which the 10% limit is based is static and does not reset if the borrower leaves and gets back into PAYE later.

> On Oct 5, 2015, at 13:55, Bubel, Susan <Susan.Bubel@ed.gov> wrote:
>
> (b)(5)
>
> -----Original Message-----
> From: Jackson, Lateata
> Sent: Monday, October 05, 2015 1:20 PM
> To: Bubel, Susan; Foss, Ian; Battle, Cynthia
> Cc: Chialastri, Taneka
> Subject: RE: Question: CR 2785: Revised - Requirement Clarification
> for CR 1492 Revised - Question
>
> (b)(5)
>
> -----Original Message-----
> From: Bubel, Susan
> Sent: Friday, October 02, 2015 12:51 PM
> To: Foss, Ian; Jackson, Lateata; Battle, Cynthia
> Cc: Chialastri, Taneka
> Subject: RE: Question: CR 2785: Revised - Requirement Clarification
> for CR 1492 Revised - Question
>
> (b)(5)
>
> Thant's what I was thinking :)
>
> -----Original Message-----
> From: Foss, Ian
> Sent: Friday, October 02, 2015 12:46 PM
> To: Bubel, Susan; Jackson, Lateata; Battle, Cynthia
> Cc: Chialastri, Taneka

> Subject: Re: Question: CR 2785: Revised - Requirement Clarification
> for CR 1492 Revised - Question
>
(b)(5)

>
>
>
>> On 10/2/15, 12:41, "Bubel, Susan" <Susan.Bubel@ed.gov> wrote:
>>
(b)(5)

>>
>> -----Original Message-----
>> From: Jackson, Lateata
>> Sent: Friday, October 02, 2015 12:35 PM
>> To: Bubel, Susan; Battle, Cynthia
>> Subject: FW: Question: CR 2785: Revised - Requirement Clarification
>> for CR 1492 Revised - Question
>>
>> Can you please provide a response?
>>
>>
>> -----Original Message-----
>> From: Washington, Patrice
>> Sent: Tuesday, September 29, 2015 7:09 AM
>> To: Jackson, Lateata; Whittington, Rochelle; Miller, Debbie;
>> (b)(6) ; Onley, Nora; Samuels, Shaun
>> Cc: Connelly, Tammy; Smith, Lynn; Jones, Amber K.; Lamphier,
>> (b)(6) Karen; Galvez, Michelle
>> Subject: Question: CR 2785: Revised - Requirement Clarification for
>> CR
>> 1492 Revised - Question
>>
>> See below question from Nelnet. Please let me know when a response is available.
>>
>> Thank you,
>>
>>
>> Patrice D. Washington
>> Contracting Officer?s Representative
>> Federal Student Aid
>> Business Operations
>> 830 First Street, NE, 61A2
>> Washington, DC 20202
>> 202-377-3845 Office
>>
>>
>> -----Original Message-----
>> From: (b)(6) [mailto:(b)(6) @nelnet.net]
>> Sent: Monday, September 28, 2015 3:57 PM
>> To: Washington, Patrice

>> Cc: Connelly, Tammy; Smith, Lynn; Jones, Amber K.; Lamphier,
>> Katharine; Gibson, Karen; (b)(6)
>> Subject: CR 2785: Revised - Requirement Clarification for CR 1492
>> Revised - Question
>>
>> Hello,
>>
>> Nelnet has a clarification question regarding CR2785.
>>

(b)(5)

>>
>> Thank you,
>>
>>
>> (b)(4); (b)(6)
>> FSA Account Manager
>> Nelnet | Education Planning & Financing Lincoln, Nebraska Telephone
>> (b)(6)
>> Cell: (b)(6)
>>
>> (b)(4); (b)(6)

From: Bubel, Susan
Sent: 20 Feb 2015 09:19:09 -0600
To: Jackson, Lateata;Battle, Cynthia;Foss, Ian;Meadows, Kim
Subject: RE: Question: GL and PHEAA - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

See responses below:

From: Jackson, Lateata
Sent: Friday, February 20, 2015 10:01 AM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Meadows, Kim
Subject: FW: Question: GL and PHEAA - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Sue,

Please see the questions below. Can you please provide a response to me quickly to keep the assessments on schedule?

From: Washington, Patrice
Sent: Friday, February 20, 2015 9:35 AM
To: Jackson, Lateata; Whittington, Rochelle; Miller, Debbie; (b)(6) Onley, Nora; Samuels, Shaun; Buendia, Mario; POC Change Request
Cc: Connelly, Tammy; Smith, Lynn; Jones, Amber K.; Lamphier, Katharine; Gibson, Karen
Subject: Question: GL and PHEAA - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

Good Morning Lateata,

See below GL's questions. Please let me know when a response is available.

Thank you,

Patrice Washington

From: (b)(6) [mailto:(b)(6)@glhec.org]
Sent: Friday, February 20, 2015 6:35 AM
To: Connelly, Tammy
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn; (b)(6)
Subject: FW: GL and PHEAA - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

We have a couple of questions on this CR. Could you please ask for clarification?

Thanks!

(b)(4); (b)(6)

(b)(5)

(b)(5)

-----Original Message-----
From: Connelly, Tammy [mailto:Tammy.Connelly@ed.gov]
Sent: Wednesday, February 18, 2015 6:07 AM
To: (b)(6) PHEAACRs (PHEAACRs@pheaa.org)
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn
Subject: GL and PHEAA - CR 2785: Requirement Clarification for CR 1492 Revised 02/17/2015
Attached is a revised CR2785 - Requirement Clarification for CR1492. Please provide an assessment for this change by 2/25/15.
Feel free to contact me if you have questions or need more information.
Thanks
Tammy Connelly

The information contained in this communication may be confidential, is intended only for the use of the recipient(s) named above, and may be protected under state or federal law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication, or any of its contents, is strictly prohibited. If you have received this communication in error, please forward the communication to notme@glhec.org immediately and destroy or delete the original message and any copy of it from your computer system. If you have any questions concerning this message, please contact the sender.

From: Foss, Ian
Sent: 31 May 2017 20:04:50 +0000
To: Bryant, Michael
Cc: Dragoo, Janet;Estrada, Rosie
Subject: Re: Question about Rehabs.

Yes, this is in compliance.

All they are saying is that loan rehabilitation is not a capitalization event in and of itself (which is correct), but that if there is another capitalization event after the loan is rehabilitated, they will capitalize all outstanding interest, which includes all interest that accrued and went unpaid while the borrower was in default (this is also correct).

On May 31, 2017, at 16:02, Bryant, Michael <Michael.Bryant@ed.gov> wrote:

> Ian, does it look like PHEAA and Navient are in compliance with the regs?
>
> Mike Bryant
> Office: 319-665-7618
> Fax: 319-665-7993
>
> ---
>
> **From:** Dragoo, Janet
> **Sent:** Wednesday, May 31, 2017 3:01 PM
> **To:** Bryant, Michael
> **Subject:** RE: Question about Rehabs.
>
> Mike,
>
> Great Lakes, ECSI and Nelnet all said they don't capitalize interest on a rehab. Navient had the comment below (email). Do you want me to ask them for more information on changing statuses? Pheaa said the don't capitalize interest as well, but they had the following comment:
>
> > "No, we do not capitalize interest "upon receipt" of a rehabilitated loan; although we have noticed that most loans transferred to us for servicing upon completion of a loan rehabilitation program have some outstanding interest upon receipt.
> >
> > However, when a rehabilitated loan is released onto our system, regardless of loan program, we maintain the borrower's payment amount the same as it was during their rehabilitation program for a period of three months. During those three months, borrowers may choose a repayment plan that suits their needs. If they do not choose a new repayment plan, their rehabilitation loans will either be placed on a standard repayment plan, or placed on the same repayment plan as other Direct Loans, if they have any that we are currently servicing. Under any of these three outcomes, or at end of status if a borrower were to request a deferment or forbearance, we will capitalize any outstanding, cappable interest at that time."
>
> Janet

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Wednesday, May 31, 2017 2:41 PM
To: Dragoo, Janet
Cc: (b)(4); (b)(6) @Navient.com
Subject: [Suspect Bulk Mail] RE: Question about Rehabs.

Hi Janet,
The act of simply converting/loading a transferred loan to our system does not trigger interest to capitalize. The change of a status while a loan in in the process of converting could cause an interest capping situation to occur. However, the interest will not cap because of a conversion.

(b)(4); (b)(6)

From: Foss, Ian
Sent: 8 Jan 2016 17:31:21 +0000
To: Bubel, Susan
Subject: RE: Question on CR-2785 Job Aid Example #2-4 "neg am cap effective date"

Agreed. (b)(5)

From: Bubel, Susan
Sent: Friday, January 08, 2016 12:31 PM
To: Foss, Ian
Subject: RE: Question on CR-2785 Job Aid Example #2-4 "neg am cap effective date"

(b)(5)

From: Foss, Ian
Sent: Friday, January 08, 2016 12:19 PM
To: Bubel, Susan
Subject: RE: Question on CR-2785 Job Aid Example #2-4 "neg am cap effective date"

(b)(5)

From: Bubel, Susan
Sent: Tuesday, December 29, 2015 9:50 AM
To: Foss, Ian
Subject: FW: Question on CR-2785 Job Aid Example #2-4 "neg am cap effective date"

(b)(5)

Sue

From: Bubel, Susan
Sent: Tuesday, December 29, 2015 9:36 AM
To: Kim, Bora
Cc: Battle, Cynthia; Leavitt, Katharine
Subject: RE: Question on CR-2785 Job Aid Example #2-4 "neg am cap effective date"

(b)(5)

Thanks,
Sue

From: Kim, Bora
Sent: Tuesday, December 29, 2015 9:21 AM
To: Bubel, Susan
Cc: Battle, Cynthia; Leavitt, Katharine
Subject: RE: Question on CR-2785 Job Aid Example #2-4 "neg am cap effective date"

Hi Sue,

(b)(5)

Thank you,
Bora

From: Bubel, Susan
Sent: Sunday, December 27, 2015 8:32 PM
To: Kim, Bora
Cc: Battle, Cynthia; Leavitt, Katharine
Subject: RE: Question on CR-2785 Job Aid Example #2-4 "neg am cap effective date"

(b)(5)

Thanks,
Sue

From: Kim, Bora
Sent: Tuesday, December 22, 2015 3:27 PM
To: Bubel, Susan
Cc: Battle, Cynthia; Leavitt, Katharine
Subject: Question on CR-2785 Job Aid Example #2-4 "neg am cap effective date"

Hi Sue,

(b)(5)

If this was already discussed with the servicers, please let me know what they proposed.
Otherwise, please let me know if I am misunderstanding the job aid or if you'd like to further discuss.
Happy Holidays!
Thank you,
Bora

Bora Kim
U.S. Department of Education, Federal Student Aid
Internal Controls Division
830 First Street, N.E., Washington DC 20202
202-377-3146

From: DLCapitalization
Sent: 5 May 2016 15:26:11 +0000
To: (b)(4); (b)(6) DLCapitalization
Cc: (b)(4); (b)(6) Chialastri, Taneka;Foss, Ian;Battle, Cynthia
Subject: RE: QUESTIONS: CR 2785 - Requirement Clarification for CR 1492

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Wednesday, April 27, 2016 4:14 PM
To: DLCapitalization
Cc: (b)(4); (b)(6)
Subject: FW: QUESTIONS: CR 2785 - Requirement Clarification for CR 1492

Hello,
Nelnet has some outstanding questions regarding CR 2785 on the attached document. Is there an updated Q&A with the responses? If not is FSA able to respond prior to the next scheduled meeting, 5/5/2016?

86	Nelnet		(b)(5)

			(b)(5)
87	Nel net		
88	Nel net		

			(b)(5)	

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Helping You Achieve Your Goals
Nelnet Diversified Solutions (NDS)
Lincoln, Nebraska
Office: (b)(6)
Cell: (b)(6)
(b)(4); (b)(6)@Nelnet.net
nelnet.com

From: Bubel, Susan
Sent: 2 Feb 2015 09:18:46 -0600
To: Foss, Ian;Battle, Cynthia
Subject: RE: QUESTIONS GL: CR 2785: Requirement Clarification for CR 1492 Revised 01/26/2015 has been accepted to request Impact Analysis

(b)(5)

Sue

-----Original Message-----
From: Foss, Ian
Sent: Monday, February 02, 2015 10:09 AM
To: Bubel, Susan; Battle, Cynthia
Subject: RE: QUESTIONS GL: CR 2785: Requirement Clarification for CR 1492 Revised 01/26/2015 has been accepted to request Impact Analysis

(b)(5)

-----Original Message-----
From: Bubel, Susan
Sent: Monday, February 02, 2015 10:00 AM
To: Foss, Ian; Battle, Cynthia
Subject: RE: QUESTIONS GL: CR 2785: Requirement Clarification for CR 1492 Revised 01/26/2015 has been accepted to request Impact Analysis

(b)(5)

Sue

-----Original Message-----
From: Foss, Ian
Sent: Monday, February 02, 2015 9:58 AM
To: Bubel, Susan; Battle, Cynthia
Subject: RE: QUESTIONS GL: CR 2785: Requirement Clarification for CR 1492 Revised 01/26/2015 has been accepted to request Impact Analysis

(b)(5)

though...

-----Original Message-----
From: Jackson, Lateata
Sent: Thursday, January 29, 2015 3:14 PM
To: Bubel, Susan; Battle, Cynthia
Cc: Ratchford, Sabrina; Washington, Patrice; Brown, Lenny; Foss, Ian; Meadows, Kim; Smith, Lynn; Oldre, Lisa; Connelly, Tammy; Leavitt, Katharine
Subject: FW: QUESTIONS GL: CR 2785: Requirement Clarification for CR 1492 Revised 01/26/2015 has been accepted to request Impact Analysis

Sue/Cindy,

I am just going to send you these as I get them. You will see Great Lakes comments/questions in the right margins of each the CR and the Job Aid.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

-----Original Message-----
From: Connelly, Tammy
Sent: Thursday, January 29, 2015 12:59 PM
To: Jackson, Lateata; (b)(4); (b)(6)
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn
Subject: QUESTIONS GL: CR 2785: Requirement Clarification for CR 1492 Revised 01/26/2015 has been accepted to request Impact Analysis

Please see Great Lakes questions regarding CR2785. Please let us know when a response is available.

Thanks.

Tammy Connelly
Contracting Officer?s Representative
FSA/Business Operations/PMS
Budget & Services Management Branch
830 First Street, NE, 61D1
Washington, DC 20202
202-377-3298 (office)

-----Original Message-----
From: (b)(4); (b)(6) [mailto: (b)(4); (b)(6) @glhec.org]
Sent: Thursday, January 29, 2015 12:54 PM
To: Connelly, Tammy; (b)(4); (b)(6)
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn
Subject: RE: GL and PHEAA: CR 2785: Requirement Clarification for CR 1492 Revised 01/26/2015 has been accepted to request Impact Analysis

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

We are still gathering questions from our Development team, but I wanted to get these out to you ASAP. I have added my comments/concerns to the attached documents.

(b)(4); (b)(6)

-----Original Message-----
From: Connelly, Tammy [mailto:Tammy.Connelly@ed.gov]
Sent: Tuesday, January 27, 2015 9:23 AM
To: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org)
Cc: Gibson, Karen; Jones, Amber K.; Lamphier, Katharine; Washington, Patrice; Smith, Lynn
Subject: GL and PHEAA: CR 2785: Requirement Clarification for CR 1492 Revised 01/26/2015 has been accepted to request Impact Analysis

This CR has changed from notification only to requiring assessments back

Attached is CR2785 - Requirement clarification for CR1492. Please provide an assessment for this effort by 02/06/2015.

Please see the attached Zip file with the revised CR and Job Aid.

FSA will be setting up a video conference clarification meeting to take place before the IAs are due. All Contractors MUST submit questions/scenarios that they want to review during the clarification meeting beyond what in included in the Job Aid by Monday, February 2, 2015. FSA will walk thought some of the scenarios in the Job Aid during this video conference.

Thanks
Tammy Connelly

The information contained in this communication may be confidential, is intended only for the use of the recipient(s) named above, and may be protected under state or federal law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication, or any of its contents, is strictly prohibited. If you have received this communication in error, please forward the communication to notme@glhec.org immediately and destroy or delete the original message and any copy of it from your computer system. If you have any questions concerning this message, please contact the sender.

From: Bubel, Susan
Sent: 2 Feb 2015 09:11:55 -0600
To: Foss, Ian;Battle, Cynthia
Subject: RE: QUESTIONS GL: CR 2785: Requirement Clarification for CR 1492 Revised 01/26/2015 has been accepted to request Impact Analysis

(b)(5)

-----Original Message-----
From: Foss, Ian
Sent: Monday, February 02, 2015 10:09 AM
To: Bubel, Susan; Battle, Cynthia
Subject: RE: QUESTIONS GL: CR 2785: Requirement Clarification for CR 1492 Revised 01/26/2015 has been accepted to request Impact Analysis

(b)(5)

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Tammy

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From: Foss, Ian
Sent: 8 Jun 2015 13:36:22 +0000
To: Battle, Cynthia
Subject: RE: Questions interest capitalization when leaving IBR

In addition to capitalization and standard payment, there are additional considerations if the borrower is married and files separately and moving to REPAYE.

From: Battle, Cynthia
Sent: Monday, June 08, 2015 9:33 AM
To: Foss, Ian
Subject: FW: Questions interest capitalization when leaving IBR

Morning – (b)(5)

(b)(5)

From: Greene, Matthew
Sent: Sunday, June 07, 2015 5:32 PM
To: (b)(4); (b)(6) ; Battle, Cynthia
Cc: (b)(4); (b)(6)
Subject: Questions interest capitalization when leaving IBR

you're attending the roundtable meeting this week and I'm wondering if this from (below) is a question you could respond to. Yes?

(b)(5)

Thanks - Matt

From: (b)(4); (b)(6) @PGPresents.com]
Sent: Sunday, May 24, 2015 7:40 AM
To: Greene, Matthew; @nclc.org; (b)(4); (b)(6) @equaljusticeworks.org; (b)(4); (b)(6) @younginvincibles.org; (b)(4); (b)(6) @younginvincibles.org; (b)(4); (b)(6) @ticas.org; @ticas.org; (b)(4); (b)(6) @americanbar.org; @nclc.org; (b)(4); (b)(6) @equaljusticeworks.org; (b)(4); @lafla.org; (b)(4); (b)(6) (b)(4); (b)(6)

Subject: Questions for Roundtable

Good morning, thanks for setting this up.
While I know we are waiting for the Proposed Rule regarding REPAYE (as we understand it will be called), I would be interested (as would the borrowers with whom we work) regarding how ED plans to instruct loan servicers to handle borrowers currently in IBR who "opt out" into REPAYE, assuming such is allowed. Current regulations (as I understand them) would mean such action would result in accrued interest being capitalized (with no limit to the amount, since they are in IBR) plus the requirement for one initial "expedited" or "accelerated" Standard payment (in an amount needed to repay the loan in the original 10 year window less time in IBR to date). I know the loan servicers are allowing a "reduced forbearance" payment of $5 to get around this. However, this has to be addressed and I would respectfully want to be sure it is on the radar.
Thanks.

From: Greene, Matthew
Sent: Friday, May 22, 2015 10:49 AM
To: mailto: @nclc.org ; mailto: (b)(4); (b)(6) mailto: @equaljusticeworks.org ; mailto: (b)(4); (b)(6) @younginvincibles.org ; mailto: (b)(4); (b)(6) @younginvincibles.org ; mailto: (b)(4); (b)(6) @ticas.org ; mailto: @ticas.org ; mailto: (b)(4); (b)(6) @americanbar.org ; mailto: @PGPresents.com ; mailto: @nclc.org ;

(b)(4); (b)(6)

mailto:(b)(4); (b)(6) @equaljusticeworks.org ; mailto: @lafla.org ; (b)(4); (b)(6)
(b)(4); (b)(6)

Subject: June FSA Ombudsman's Roundtable conference call with Student Loan Borrower Interest Groups

All, I reviewed the availabilities provided back to me and this appears to be the best day as it works for almost everyone. Please respond to this meeting invite to confirm your planned attendance or provide regrets. I hope you all have a wonderful Memorial Day!

Again, on our current Agenda:

1. FSA's Spring Repayment Campaign
2. Q&A with FSA Business Operations (a focus on some existing Loan Rehabilitation and Treasury Offset questions)
3. Universal Complaint System, an informal update

**In addition, please let me know if there are topics or questions you'd like to see potentially included in this meeting or considered as we look ahead to the next meeting. **

Thank you,

Matt

Matthew Greene
Ombudsman Team Lead
Ombudsman Group
830 First St., NE
Washington, DC 20202
202.377.4071 (O)
202.275.0549 (F)

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Do not send personal, sensitive information over email. If you wish to provide such information to the FSA Ombudsman Group, use our online assistance form at https://studentaid.ed.gov/repay-loans/disputes/prepare/contact-ombudsman

From: Foss, Ian
Sent: 10 Dec 2014 19:09:22 +0000
To: 'Pierce, Michael (CFPB)'
Subject: RE: Quick technical question on interest capitalization

No problem. For what it's worth, (b)(5)

(b)(5)

From: Pierce, Michael (CFPB) [mailto:Michael.Pierce@cfpb.gov]
Sent: Wednesday, December 10, 2014 2:07 PM
To: Foss, Ian
Subject: RE: Quick technical question on interest capitalization

Perfect. (b)(5)

(b)(5)

Thank you so much!
Mike

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Wednesday, December 10, 2014 2:05 PM
To: Pierce, Michael (CFPB)
Subject: RE: Quick technical question on interest capitalization

Hi Mike,

(b)(5)

Ian

From: Pierce, Michael (CFPB) [mailto:Michael.Pierce@cfpb.gov]
Sent: Wednesday, December 10, 2014 1:58 PM
To: Foss, Ian
Subject: Quick technical question on interest capitalization

Hey Ian—

(b)(5)

Thanks for your help! Also, feel free to give me a call if it's easier to just speak by phone. 202-435-7938.

Mike

From: Foss, Ian
Sent: 2 Aug 2017 18:12:53 +0000
To: Bryant, Michael;Estrada, Rosie;Burton, Vanessa
Subject: Re: RAL changes
Attachments: RAL changes v.1_20170802_Foss.docx

Sorry for the delay and thank you fro the gentle reminder. Please see attached.

From: Bryant, Michael
Sent: Wednesday, August 2, 2017 1:28:24 PM
To: Estrada, Rosie; Burton, Vanessa; Foss, Ian
Subject: RE: RAL changes

Vanessa/Ian-

Is the revised version acceptable to all?

Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993

From: Estrada, Rosie
Sent: Thursday, July 13, 2017 5:55 PM
To: Burton, Vanessa; Foss, Ian; Bryant, Michael
Cc: Estrada, Rosie
Subject: FW: RAL changes

Hello,

Attached is the proposed revisions to the Rehab Agreement Letter (RAL).

Rosie Estrada
U.S. Department of Education
FSA| Processing Division| Loan Exchange Unit
50 U.N. Plaza |Mail Box 1200 | Room 1310
San Francisco, CA 94102
Office: (415) 486-5643 | Fax: (415) 486-5672
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StudentAid.gov

From: Bryant, Michael
Sent: Thursday, July 13, 2017 2:37 PM
To: Estrada, Rosie
Subject: FW: RAL changes

Do you have time to put together a proposed revised version of the letter that we can have Ian and Vanessa review?

Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993

From: Burton, Vanessa
Sent: Thursday, July 13, 2017 12:32 PM
To: Bryant, Michael; Estrada, Rosie
Subject: RE: RAL changes

We can start talking about revisions.

From: Bryant, Michael
Sent: Friday, July 7, 2017 1:10 PM
To: Estrada, Rosie; Burton, Vanessa
Subject: RE: RAL changes

Vanessa-

Are we at the point yet where we can start working on revisions to the rehab agreement letter? If not, remind me what is the triggering event so I don't bother you prematurely again

Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993

From: Estrada, Rosie
Sent: Thursday, July 6, 2017 5:19 PM
To: Bryant, Michael
Subject: RE: RAL changes

Mike,

Is the RAL updated? Kami is suggesting the three changes below.

--Rosie

From: Russo, Kami
Sent: Thursday, July 06, 2017 8:37 AM
To: Estrada, Rosie
Cc: Bryant, Michael
Subject: RAL changes

Hi,

(b)(5)

Kami Russo
Senior Advisor
U.S. Department of Education
Federal Student Aid
Business Operations
Phone: 617-289-0060
Cell: 857-319-6207
kami.russo@ed.gov

From: Estrada, Rosie
Sent: Thursday, July 06, 2017 11:19 AM
To: Russo, Kami
Cc: Estrada, Rosie
Subject: RE: REHAB FIS doc questions

(b)(5)

--Rosie

From: Russo, Kami
Sent: Thursday, July 06, 2017 7:35 AM

To: Estrada, Rosie
Subject: RE: REHAB FIS doc questions

Okay - (b)(5) (I don't think they are)
But the big questions are:

(b)(5)

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Hi Kami,

(b)(5)

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San Francisco, CA 94102
Office: (415) 486-5643 | Fax: (415) 486-5672

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Page 2314

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2315

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Bryant, Michael
Sent: 2 Aug 2017 20:56:17 +0000
To: Foss, Ian;Burton, Vanessa;Estrada, Rosie
Subject: RE: RAL changes

That works for me. I believe Vanessa is out until next week so we will await her comments.

Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993

From: Foss, Ian
Sent: Wednesday, August 2, 2017 3:46 PM
To: Bryant, Michael; Burton, Vanessa; Estrada, Rosie
Subject: Re: RAL changes

Thanks, Mike. I was just trying to user plainer language, but I definitely see your point and agree.

So, let's use your language; it's much better. I wonder, though, if we should also add another clause to the sentence, so it reads:

(b)(5)

We get asked about it constantly, and I think it gets lost in your (much better) approach to this topic. (b)(5)

(b)(5)

Regarding (b)(5)

(b)(5)

From: Bryant, Michael
Sent: Wednesday, August 2, 2017 4:34:56 PM
To: Foss, Ian; Burton, Vanessa; Estrada, Rosie
Subject: FW: RAL changes

Thanks, Ian, for a thorough review. I am a little concerned about (b)(5)

(b)(5)

(b)(5)

Here's how it works in the real world:

1) (b)(5)

2)

3)

4)

We might want to re-word this as follows:

(b)(5)

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Fax: 319-665-7993

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Phone: 617-289-0060
Cell: 857-319-6207
kami.russo@ed.gov

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 18 Jan 2017 15:42:53 -0500
To: Bubel, Susan
Cc: Kim, Bora;CM_Validation;Battle, Cynthia;Foss, Ian;Jackson, Lateata;Tessitore, Lisa;(b)(4); (b)(6) Walsh, Mark;Yorkshire, Nikcola;PHEAACRs;Chialastri, Taneka
Subject: Re: RE: CR 2785 PH 4 of 4 - Artifacts

Great! Please let me know if anything else is needed.

Take Care!

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, (b)(4); (b)(6) @pheaa.org>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>
Date: 01/18/2017 03:33 PM
Subject: [external]RE: CR 2785 PH 4 of 4 - Artifacts

(b)(4); (b)(6)

Got it

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Wednesday, January 18, 2017 3:10 PM
To: Bubel, Susan
Cc: Kim, Bora; CM_Validation; Battle, Cynthia; Foss, Ian; Jackson, Lateata; (b)(4); (b)(6) Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola; Chialastri, Taneka; PHEAACRs
Subject: Re: CR 2785 PH 4 of 4 - Artifacts
Importance: High

Resending as requested. Please confirm receipt.

Thank you

(b)(4); (b)(6)

From: PHEAACRs/AES
To: CM_Validation@ed.gov, Lateata.Jackson@ed.gov, Nikcola.Yorkshire@ed.gov, Bora.Kim@ed.gov, Ian.Foss@ed.gov, Cynthia.Battle@ed.gov, Taneka.Chialastri@ed.gov, Lisa.Oldre@ed.gov, Mark.Walsh@ed.gov, Susan.Bubel@ed.gov
Date: 01/16/2017 11:55 AM
Subject: CR 2785 PH 4 of 4 - Artifacts
Sent by: (b)(4); (b)(6)

Attached please find PHEAA's Validation Artifacts for CR 2785 - 1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); (b)(6)@pheaa.org | o:(b)(6) | m: (b)(6)

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 25 Jan 2017 13:19:00 -0500
To: Bubel, Susan
Cc: Kim, Bora;Battle, Cynthia;Foss, Ian;Jackson, Lateata;Tessitore, (b)(4); (b)(6) pheaa.org';Walsh, Mark;Yorkshire, Nikcola;PHEAACRs (PHEAACRs@pheaa.org);Chialastri, Taneka
Subject: Re: RE: CR 2785 PH 4 of 4 - Artifacts
Attachments: PH 2785 4of4.zip

My apologies!
I think the password may have been incorrectly typed. I have attached a new zip file encrypted with the standard password.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, (b)(4); (b)(6) @pheaa.org'" (b)(4); (b)(6) pheaa.org>, "PHEAACRs(PHEAACRs@pheaa.org)" <PHEAACRs@pheaa.org>
Date: 01/25/2017 12:53 PM
Subject: [external]RE: CR 2785 PH 4 of 4 - Artifacts

Not sure what happened, but I cannot open documents in this file with the standard password. Can you possibly resend me the zip and confirm I am using the correct password?

Thanks,

Sue

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: (b)(4); (b)(6) @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Wednesday, January 18, 2017 3:10 PM
To: Bubel, Susan
Cc: Kim, Bora; CM_Validation; Battle, Cynthia; Foss, Ian; Jackson, Lateata; (b)(4); (b)(6) Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola; Chialastri, Taneka; PHEAACRs
Subject: Re: CR 2785 PH 4 of 4 - Artifacts
Importance: High

Resending as requested. Please confirm receipt.

Thank you

(b)(4); (b)(6)

From: PHEAACRs/AES
To: CM_Validation@ed.gov, Lateata.Jackson@ed.gov, Nikcola.Yorkshire@ed.gov, Bora.Kim@ed.gov, Ian.Foss@ed.gov, Cynthia.Battle@ed.gov, Taneka.Chialastri@ed.gov, Lisa.Oldre@ed.gov, Mark.Walsh@ed.gov, Susan.Bubel@ed.gov
Date: 01/16/2017 11:55 AM
Subject: CR 2785 PH 4 of 4 - Artifacts
Sent by: (b)(4); (b)(6)

Attached please find PHEAA's Validation Artifacts for CR 2785 - 1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); (b)(6)@pheaa.org | o: (b)(6) | m: (b)(6)

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 25 Jan 2017 10:20:19 -0500
Cc: Kim, Bora;CM_Validation;Battle, Cynthia (b)(4); (b)(6) ;Foss, Ian;Jackson, Lateata;Tessitore, Lisa;Walsh, Mark; (b)(4); (b)(6) Yorkshire, Nikcola; (b)(4); (b)(6) Bubel, Susan;Chialastri, Taneka;PHEAACRs
Subject: Re: RE: FSA CR 2785 - PH Validation Follow-up

(b)(6)

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)

From: PHEAACRs/AES
To: "Bubel, Susan" <Susan.Bubel@ed.gov>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, (b)(4); (b)(6) aessuccess.org>, "Foss, Ian" <Ian.Foss@ed.gov>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, (b)(4); (b)(6) @aessuccess.org>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, PHEAACRs <PHEAACRs@pheaa.org>, (b)(4); (b)(6) @aessuccess.org>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>
Date: 01/25/2017 10:18 AM
Subject: Re: [external]RE: FSA CR 2785 - PH Validation Follow-up
Sent by: (b)(4); (b)(6)

Good Morning Sue,
Please see the responses to your comments in the attached. The invitation for tomorrow's follow-up and the recording link were resent last night, please advise if you have not received it.

[attachment "FSA CR 2785 Validation Follow-up - 2.zip" deleted by (b)(4); (b)(6) /AES]

Thank you!

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>

To: PHEAACRs <PHEAACRs@pheaa.org>, CM_Validation <CM_Validation@ed.gov>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>
Cc: (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) (b)(4); (b)(6) @aessuccess.org>
Date: 01/24/2017 04:41 PM
Subject: [external]RE: FSA CR 2785 - PH Validation Follow-up

Thank you for your quick feedback and additional information. I added a few comments/ questions. Also have you sent the invite for Thursday and yesterday's call recording? I don't see it in my calendar, but may have missed it somehow.

Thanks again and talk to you Thursday.

Password to follow

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION | PROUD SPONSOR of the AMERICAN MIND™

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Tuesday, January 24, 2017 12:40 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: FSA CR 2785 - PH Validation Follow-up

Good Afternoon!

Please review the attached, in follow-up to yesterday's validation walk through. We look forward to talking again with you on Thursday morning.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA[attachment "PHEAA.zip" deleted by (b)(4); (b)(6) AES]

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 25 Jan 2017 10:18:55 -0500
To: Bubel, Susan
Cc: Kim, Bora;CM_Validation;Battle, Cynthia;(b)(4); (b)(6);Foss, Ian;Jackson, Lateata;Tessitore, Lisa;Walsh, Mark;(b)(4); (b)(6) Yorkshire, Nikcola;PHEAACRs;(b)(4); (b)(6) Chialastri, Taneka
Subject: Re: RE: FSA CR 2785 - PH Validation Follow-up
Attachments: FSA CR 2785 Validation Follow-up - 2.zip

Good Morning Sue,
Please see the responses to your comments in the attached. The invitation for tomorrow's follow-up and the recording link were resent last night, please advise if you have not received it.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>, CM_Validation <CM_Validation@ed.gov>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>
Cc: (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>
Date: 01/24/2017 04:41 PM
Subject: [external]RE: FSA CR 2785 - PH Validation Follow-up

Thank you for your quick feedback and additional information. I added a few comments/ questions. Also have you sent the invite for Thursday and yesterday's call recording? I don't see it in my calendar, but may have missed it somehow.

Thanks again and talk to you Thursday.

Password to follow

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid

830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Tuesday, January 24, 2017 12:40 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: FSA CR 2785 - PH Validation Follow-up

Good Afternoon!

Please review the attached, in follow-up to yesterday's validation walk through. We look forward to talking again with you on Thursday morning.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
pheaa.org | o: (b)(6) | m: (b)(6)

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Code:PHEAA[attachment "PHEAA.zip" deleted by (b)(4); (b)(6) AES]

From: (b)(4); (b)(6)
Sent: 24 Jan 2017 20:53:42 -0500
To: Bubel, Susan
Cc: Kim, Bora;CM_Validation;Battle, Cynthia;(b)(4); (b)(6) Foss, Ian;Jackson, Lateata;Tessitore, Lisa;Walsh, Mark(b)(4); (b)(6) ;Yorkshire, Nikcola;PHEAACRs(b)(4); (b)(6) Chialastri, Taneka
Subject: Re: RE: FSA CR 2785 - PH Validation Follow-up

CR 2785 Phase 2 Walk Through Recording
The beginning of this recording reviews the validation artifacts. The live demo begins at 1:41:40
Direct access link:https://fedloanservicing.webex.com/fedloanservicing/onstage/playback.php?RCID=53f031642ea02d6f18142f303ed722b5

Please see Thursday's webinar details below. A separate invitation email has also been sent.

Topic: CR 2785 Phase 2 Walk Through - Part 2
Date and Time: Thursday, January 26, 2017 9:00 am, Eastern Standard Time
Event password:(b)(4);
Event address for attendees:https://fedloanservicing.webex.com/fedloanservicing/onstage/g.php?MTID=e6ce0020647553a116e231830bdbef677

Audio conference information:
Call-in toll number (US/Canada): (b)(6)
Access code:(b)(6)

Thank you

(b)(4); (b)(6)
FedLoan Servicing School Support
(b)(4); (b)(6) @pheaa.org
Phone: (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>, CM_Validation <CM_Validation@ed.gov>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>
Cc: (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) (b)(4); @aessuccess.org>
Date: 01/24/2017 04:41 PM
Subject: [external]RE: FSA CR 2785 - PH Validation Follow-up

Thank you for your quick feedback and additional information. I added a few comments/ questions. Also have you sent the invite for Thursday and yesterday's call recording? I don't see it in my calendar, but may have missed it somehow.

Thanks again and talk to you Thursday.

Password to follow

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Tuesday, January 24, 2017 12:40 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: FSA CR 2785 - PH Validation Follow-up

Good Afternoon!

Please review the attached, in follow-up to yesterday's validation walk through. We look forward to talking again with you on Thursday morning.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) m: (b)(6)

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Code:PHEAA[attachment "PHEAA.zip" deleted by (b)(4); (b)(6) AES]

From: Bubel, Susan
Sent: 25 Jan 2017 15:52:30 +0000
To: PHEAACRs
Cc: Kim, Bora;CM_Validation;Battle, Cynthia;(b)(4); (b)(6);Foss, Ian;Jackson, Lateata;Oldre, Lisa;Walsh, Mark;(b)(4); (b)(6);Yorkshire, Nikcola;(b)(4); (b)(6);Chialastri, Taneka
Subject: RE: RE: FSA CR 2785 - PH Validation Follow-up

Thanks again for the quick response, and yes I received the invite for Thursday and the recording link, I have not had an opportunity to access it to ensure I can view, but will prior to our meeting tomorrow.

(b)(4); (b)(6)

Sue

From: (b)(4); (b)(6) [mailto:[redacted]@pheaa.org] **On Behalf Of** PHEAACRs
Sent: Wednesday, January 25, 2017 10:19 AM
To: Bubel, Susan
Cc: Kim, Bora; CM_Validation; Battle, Cynthia; (b)(4); (b)(6); Foss, Ian; Jackson, Lateata; Oldre, Lisa; Walsh, Mark; (b)(4); (b)(6); Yorkshire, Nikcola; PHEAACRs; (b)(4); (b)(6); Chialastri, Taneka
Subject: Re: RE: FSA CR 2785 - PH Validation Follow-up

Good Morning Sue,
Please see the responses to your comments in the attached. The invitation for tomorrow's follow-up and the recording link were resent last night, please advise if you have not received it.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>, CM_Validation <CM_Validation@ed.gov>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>
Cc: (b)(4); (b)(6)@aessuccess.org>, (b)(4); (b)(6)@aessuccess.org>, (b)(4); (b)(6)@aessuccess.org>
Date: 01/24/2017 04:41 PM
Subject: [external]RE: FSA CR 2785 - PH Validation Follow-up

Thank you for your quick feedback and additional information. I added a few comments/ questions. Also have you sent the invite for Thursday and yesterday's call recording? I don't see it in my calendar, but may have missed it

somehow.

Thanks again and talk to you Thursday.

Password to follow

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov



(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Tuesday, January 24, 2017 12:40 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: PHEAACRs; (b)(4); (b)(6)
Subject: FSA CR 2785 - PH Validation Follow-up

Good Afternoon!

Please review the attached, in follow-up to yesterday's validation walk through. We look forward to talking again with you on Thursday morning.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA[attachment "PHEAA.zip" deleted by (b)(4); (b)(6) AES]

From: Bubel, Susan
Sent: 30 May 2017 12:50:23 +0000
To: Jackson, Lateata;Battle, Cynthia;Foss, Ian
Cc: Chialastri, Taneka
Subject: RE: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

(b)(5)

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Saturday, May 27, 2017 7:41 PM
To: Jackson, Lateata
Cc: Kim, Bora; CM_Validation; Battle, Cynthia; Johnson, Debbe; (b)(4); (b)(6) PHEAA; (b)(4); (b)(6) (b)(4); (b)(6) PHEAA; Allen, Heather; Foss, Ian; Mahon, Karen; Espinosa, Kimberly; Porter, Larry; Oldre, Lisa; Smith, Lynn; Walsh, Mark; (b)(4); (b)(6) AES; Reaves, Michelle; Yorkshire, Nikcola; Washington, Patrice; Bean, Paul; PHEAACRs; (b)(4); (b)(6) /AES; (b)(4); (b)(6) AES; Bubel, Susan; Chialastri, Taneka
Subject: Re: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Hi La Teata!

We've provided responses, below. Please let me know if you have any additional questions or would like to meet to review.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Battle, Cynthia"

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

<Cynthia.Battle@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, (b)(4); (b)(6) PHEAA" @pheaa.org>, (b)(4); (b)(6) PHEAA <@aessuccess.org>, (b)(4); (b)(6) PHEAA @aessuccess.org>, (b)(4); (b)(6) AES" @aessuccess.org>, (b)(4); (b)(6) AES @pheaa.org>, AES @aessuccess.org>, "Allen, Heather" <Heather.Allen@ed.gov>, "Reaves, Michelle" <Michelle.Reaves@ed.gov>, "Mahon, Karen" <Karen.Mahon@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>, "Espinosa, Kimberly" <Kimberly.Espinosa@ed.gov>, "Johnson, Debbe" <Debbe.Johnson@ed.gov>, "Porter, Larry" <Lawrence.Porter@ed.gov>, "Bean, Paul" <Paul.Bean@ed.gov>

Date: 05/25/2017 10:32 AM

Subject: [external]RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

---

Lauren,

FSA is reviewing the scenarios but still have questions on Scenario #1(see attached). Can you answer these for us or let us know if a meeting is needed?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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(b)(4); (b)(6)

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Thursday, May 18, 2017 4:19 PM
To: Jackson, Lateata
Cc: Bubel, Susan; Chialastri, Taneka; Kim, Bora; Foss, Ian; Oldre, Lisa; Walsh, Mark; Battle, Cynthia; CM_Validation; Yorkshire, Nikcola; (b)(4); (b)(6) PHEAA; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /AES; (b)(4); (b)(6) AES; (b)(4); (b)(6) /AES; PHEAACRs; Allen, Heather; Reaves, Michelle; Mahon, Karen; Smith, Lynn; Washington, Patrice; Espinosa, Kimberly; Johnson, Debbe; Porter, Larry; Bean, Paul
Subject: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Good Afternoon La Teata!

As requested, attached are the revisions to Scenario #1 showing the progression of all transactions, including other attachments for Scenario #1 such as the loan interest letter and a summary of how our current environment produces test letters.

Revisions to Scenario #2 are also included for loans 1 and 2.

As discussed, I also wanted to formally make you aware that PHEAA has pushed our planned release of the correction for NegAm to June 8, 2017.

Please advise if any further clarification is required. Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 27 May 2017 19:40:40 -0400
To: Jackson, Lateata
Cc: Kim, Bora;CM_Validation;Battle, Cynthia;Johnson, Debbe;(b)(4); (b)(6) (b)(4); /PHEAA;(b)(4); (b)(6) PHEAA;Allen, Heather;Foss, Ian;Mahon, Karen;Espinosa, Kimberly;Porter, Larry;Tessitore, Lisa;Smith, Lynn;Walsh, Mark;(b)(4); (b)(6) /AES;Reaves, Michelle;Yorkshire, Nikcola;Washington, Patrice;Bean, Paul;PHEAACRs;(b)(4); (b)(6) /AES;(b)(4); (b)(6) /AES;Bubel, Susan;Chialastri, Taneka
Subject: Re: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions
Attachments: Comments on PHEAA CR 2785 Updated Validation scenario #1 and 2 May 2017....docx, Comments on PHEAA CR 2785 Updated Validation scenario #1 and 2 May 2017_response....docx

Hi La Teata!

We've provided responses, below. Please let me know if you have any additional questions or would like to meet to review.

Thank you!

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, (b)(4); (b)(6) PHEAA" <@pheaa.org>, (b)(4); (b)(6) PHEAA <@aessuccess.org>, (b)(4); (b)(6) /PHEAA <@aessuccess.org>, (b)(4); (b)(6) AES" <@aessuccess.org>, (b)(4); (b)(6) /AES <@pheaa.org>, (b)(4); (b)(6) /AES <@aessuccess.org>, "Allen, Heather" <Heather.Allen@ed.gov>, "Reaves, Michelle" <Michelle.Reaves@ed.gov>, "Mahon, Karen"<Karen.Mahon@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>, "Espinosa, Kimberly" <Kimberly.Espinosa@ed.gov>, "Johnson, Debbe" <Debbe.Johnson@ed.gov>, "Porter, Larry" <Lawrence.Porter@ed.gov>, "Bean, Paul" <Paul.Bean@ed.gov>
Date: 05/25/2017 10:32 AM
Subject: [external]RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Lauren,

FSA is reviewing the scenarios but still have questions on Scenario #1(see attached). Can you answer these for us or let us know if a meeting is needed?

La Teata Jackson

Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto: (b)(4); @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Thursday, May 18, 2017 4:19 PM
To: Jackson, Lateata
Cc: Bubel, Susan; Chialastri, Taneka; Kim, Bora; Foss, Ian; Oldre, Lisa; Walsh, Mark; Battle, Cynthia; CM_Validation; Yorkshire, Nikcola; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) PHEAA; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) AES; (b)(4); (b)(6) /AES; (b)(4); (b)(6) /AES; PHEAACRs; Allen, Heather; Reaves, Michelle; Mahon, Karen; Smith, Lynn; Washington, Patrice; Espinosa, Kimberly; Johnson, Debbe; Porter, Larry; Bean, Paul
Subject: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Good Afternoon La Teata!

As requested, attached are the revisions to Scenario #1 showing the progression of all transactions, including other attachments for Scenario #1 such as the loan interest letter and a summary of how our current environment produces test letters.

Revisions to Scenario #2 are also included for loans 1 and 2.

As discussed, I also wanted to formally make you aware that PHEAA has pushed our planned release of the correction for NegAm to June 8, 2017.

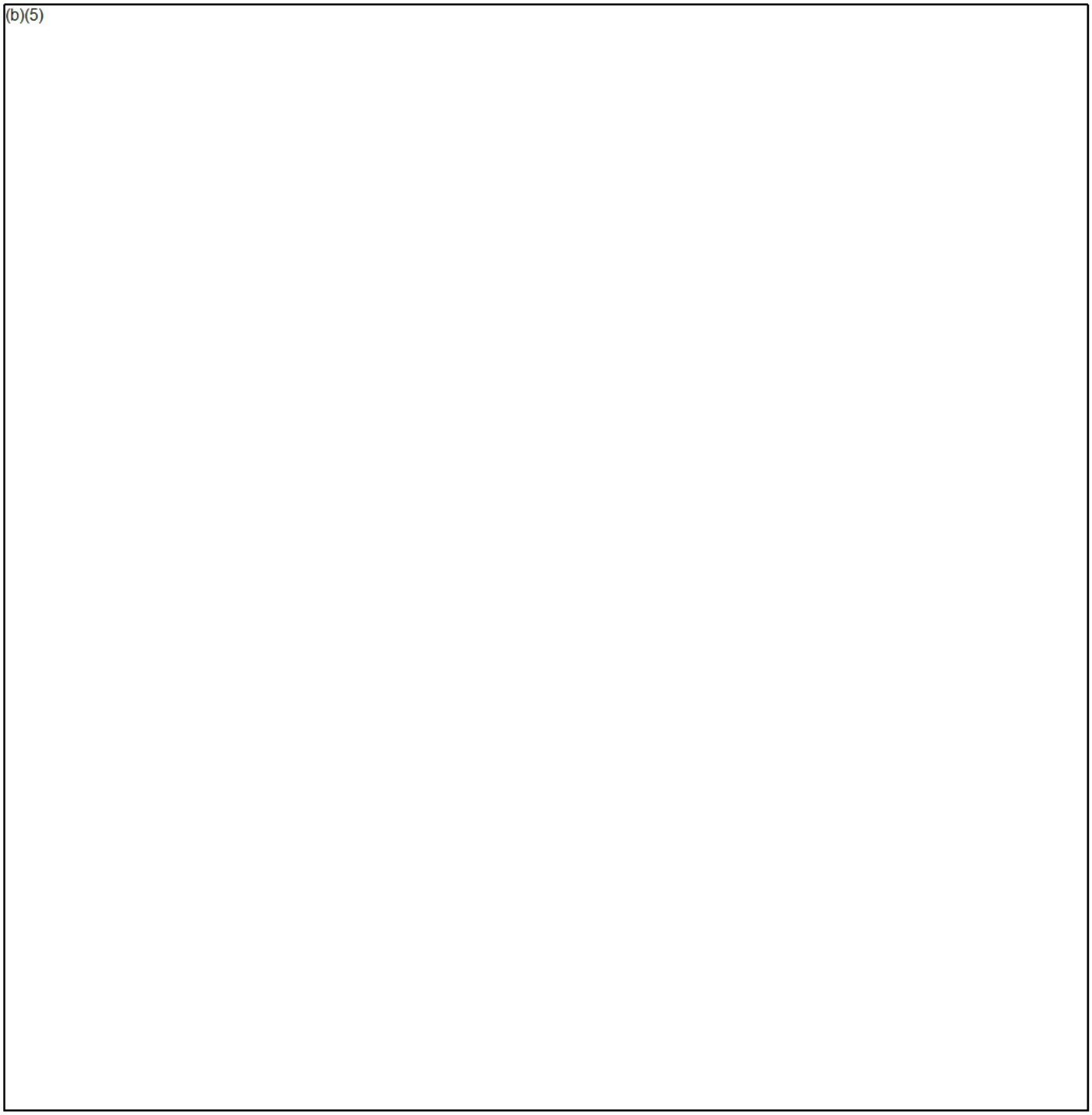
Please advise if any further clarification is required. Thank you!

(b)(4); (b)(6)
(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

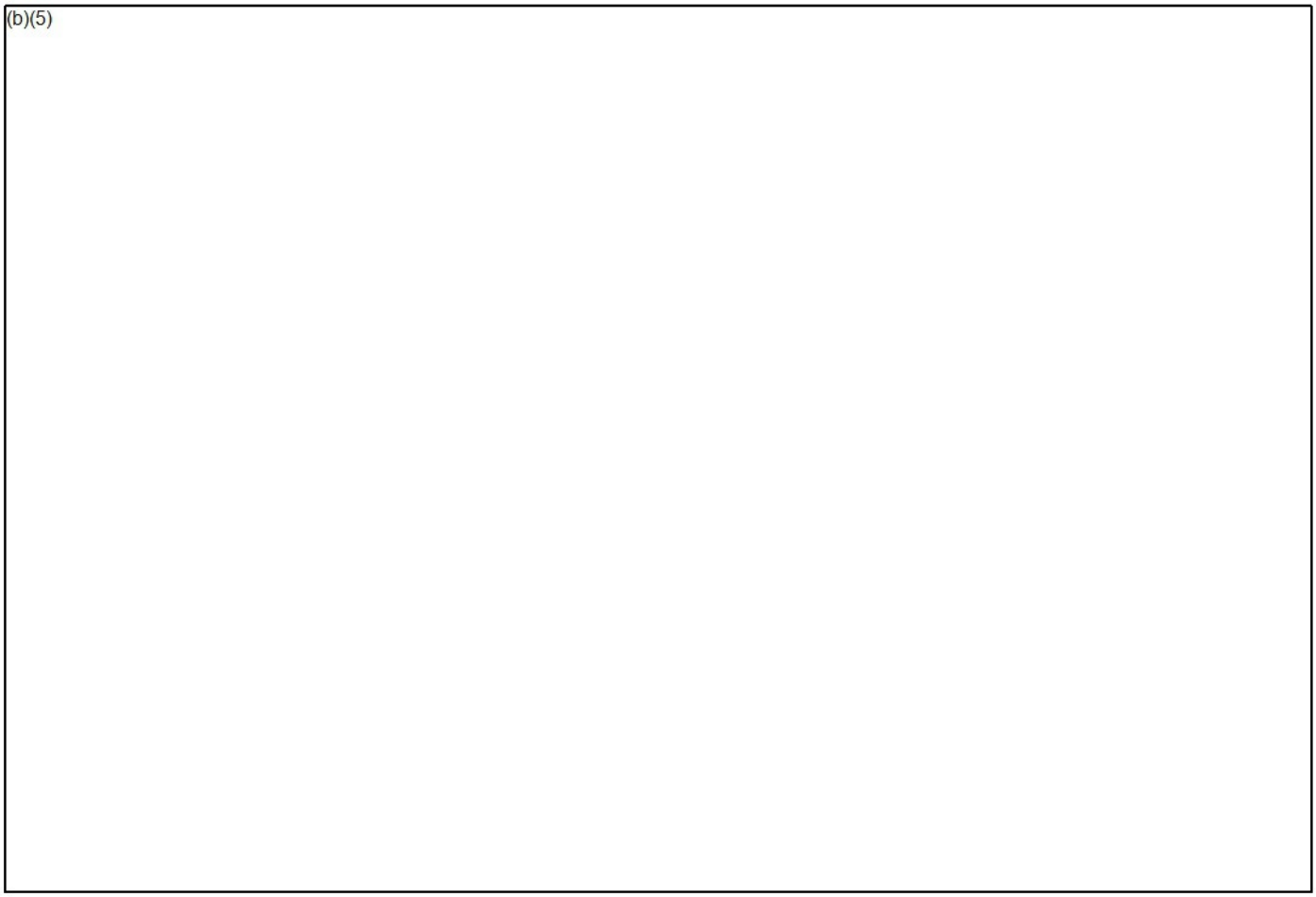
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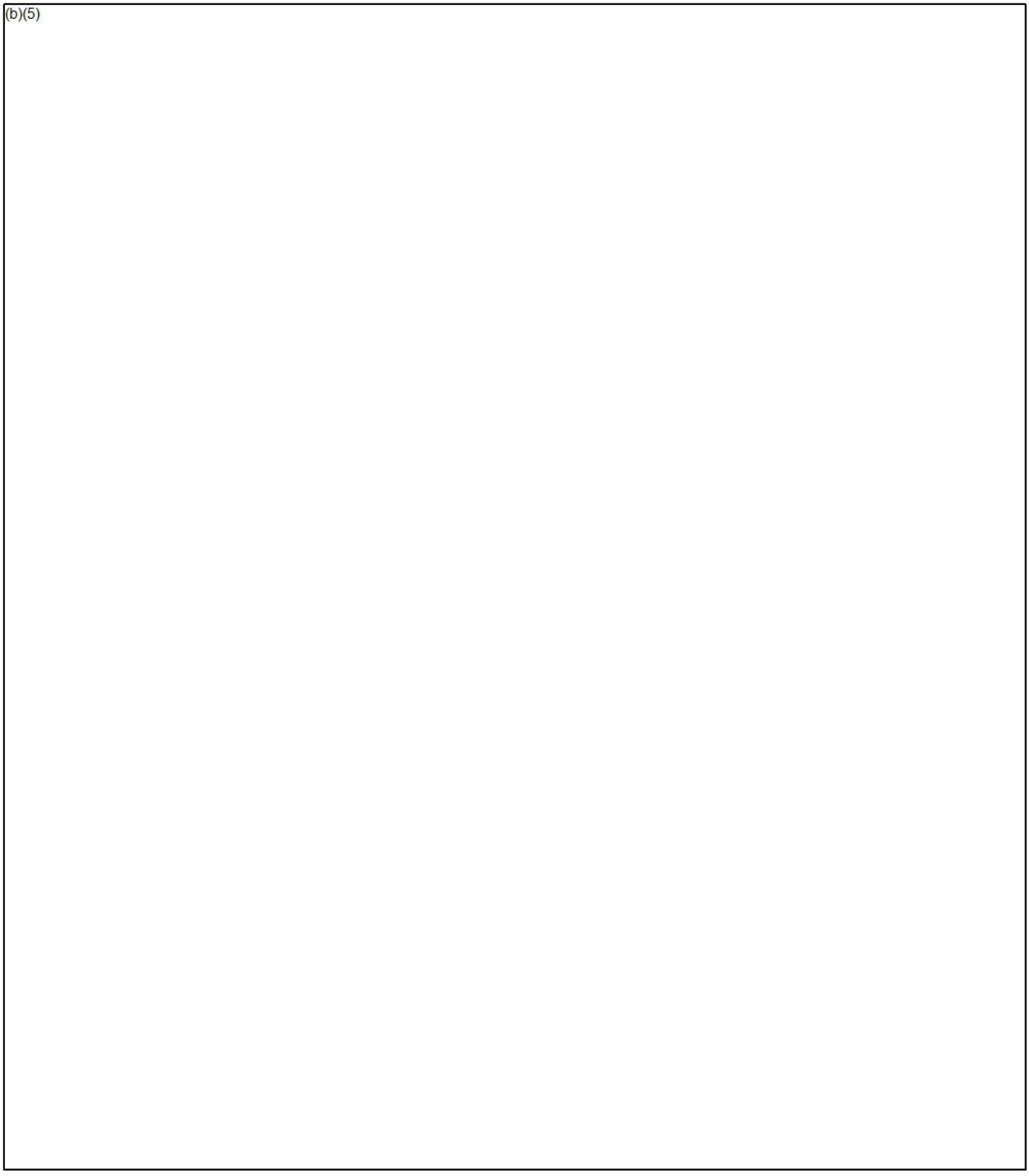
Code:PHEAA

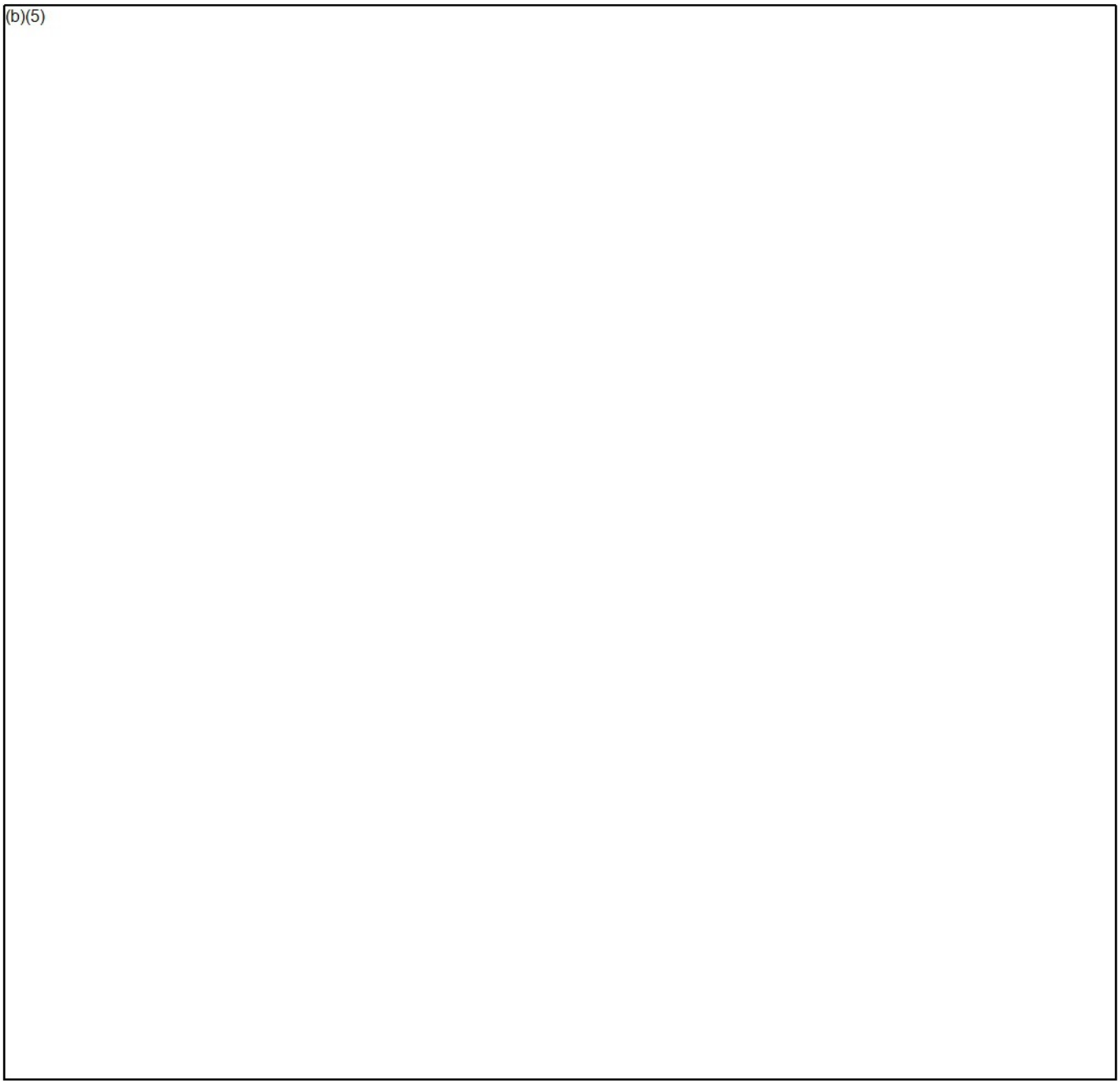

(b)(5)

(b)(5)


(b)(5)


(b)(5)


(b)(5)


(b)(5)

From: Jackson, Lateata
Sent: 6 Jun 2017 17:02:00 +0000
To: PHEAACRs
Cc: Kim, Bora;CM_Validation;Battle, Cynthia;Johnson, Debbe;(b)(4); (b)(6) /PHEAA;(b)(4); (b)(6) /PHEAA;Allen, Heather;Foss, Ian;Mahon, Karen;Espinosa, Kimberly;Porter, Larry;Oldre, Lisa;Smith, Lynn;Walsh, Mark;(b)(4); (b)(6) /AES;Reaves, Michelle;Mahon, Karen;Yorkshire, Nikcola;Washington, Patrice;Bean, Paul;(b)(4); (b)(6) /AES;(b)(4); (b)(6) AES;Bubel, Susan;Chialastri, Taneka;Reaves, Michelle;CM_Validation
Subject: RE: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions
Attachments: Comments on PHEAA CR 2785 Updated Validation scenario #1 and 2 May 2017....docx

Good Morning,

I want to recap where we are with PHEAA on CR 2785:

(b)(5)

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto:(b)(4); @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Saturday, May 27, 2017 7:41 PM
To: Jackson, Lateata
Cc: Kim, Bora; CM_Validation; Battle, Cynthia; Johnson, Debbe; (b)(4); (b)(6) PHEAA; (b)(4); (b)(6) /PHEAA; Allen, Heather; Foss, Ian; Mahon, Karen; Espinosa, Kimberly; Porter, Larry; Oldre, Lisa; Smith, Lynn; Walsh, Mark; (b)(4); (b)(6) /AES; Reaves, Michelle; Yorkshire, Nikcola; Washington, Patrice; Bean, Paul; PHEAACRs; (b)(4); (b)(6) /AES; (b)(4); (b)(6) AES; Bubel, Susan; Chialastri, Taneka
Subject: Re: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Hi La Teata!

We've provided responses, below. Please let me know if you have any additional questions or would like to meet to review.

Thank you!

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, /PHEAA" <@pheaa.org>, (b)(4); (b)(6) PHEAA <@aessuccess.org>, (b)(4); (b)(6) PHEAA <@aessuccess.org>, (b)(4); (b)(6) AES" <@aessuccess.org>, (b)(4); (b)(6) AES <@pheaa.org>, AES <@aessuccess.org>, "Allen, Heather" <Heather.Allen@ed.gov>, "Reaves, Michelle" <Michelle.Reaves@ed.gov>, "Mahon, Karen" <Karen.Mahon@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>, "Espinosa, Kimberly" <Kimberly.Espinosa@ed.gov>, "Johnson, Debbe" <Debbe.Johnson@ed.gov>, "Porter, Larry" <Lawrence.Porter@ed.gov>, "Bean, Paul" <Paul.Bean@ed.gov>
Date: 05/25/2017 10:32 AM
Subject: [external]RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Lauren,

FSA is reviewing the scenarios but still have questions on Scenario #1(see attached). Can you answer these for us or let us know if a meeting is needed?

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Change Management Division

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(b)(4); (b)(6)

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From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Thursday, May 18, 2017 4:19 PM
To: Jackson, Lateata
Cc: Bubel, Susan; Chialastri, Taneka; Kim, Bora; Foss, Ian; Oldre, Lisa; Walsh, Mark; Battle, Cynthia; CM_Validation; Yorkshire, Nikcola; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /PHEAA; /PHEAA; (b)(4); (b)(6) /AES; (b)(4); (b)(6) /AES; (b)(4); (b)(6) /AES; PHEAACRs; Allen, Heather; Reaves, Michelle; Mahon, Karen; Smith, Lynn; Washington, Patrice; Espinosa, Kimberly; Johnson, Debbe; Porter, Larry; Bean, Paul
Subject: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Good Afternoon La Teata!

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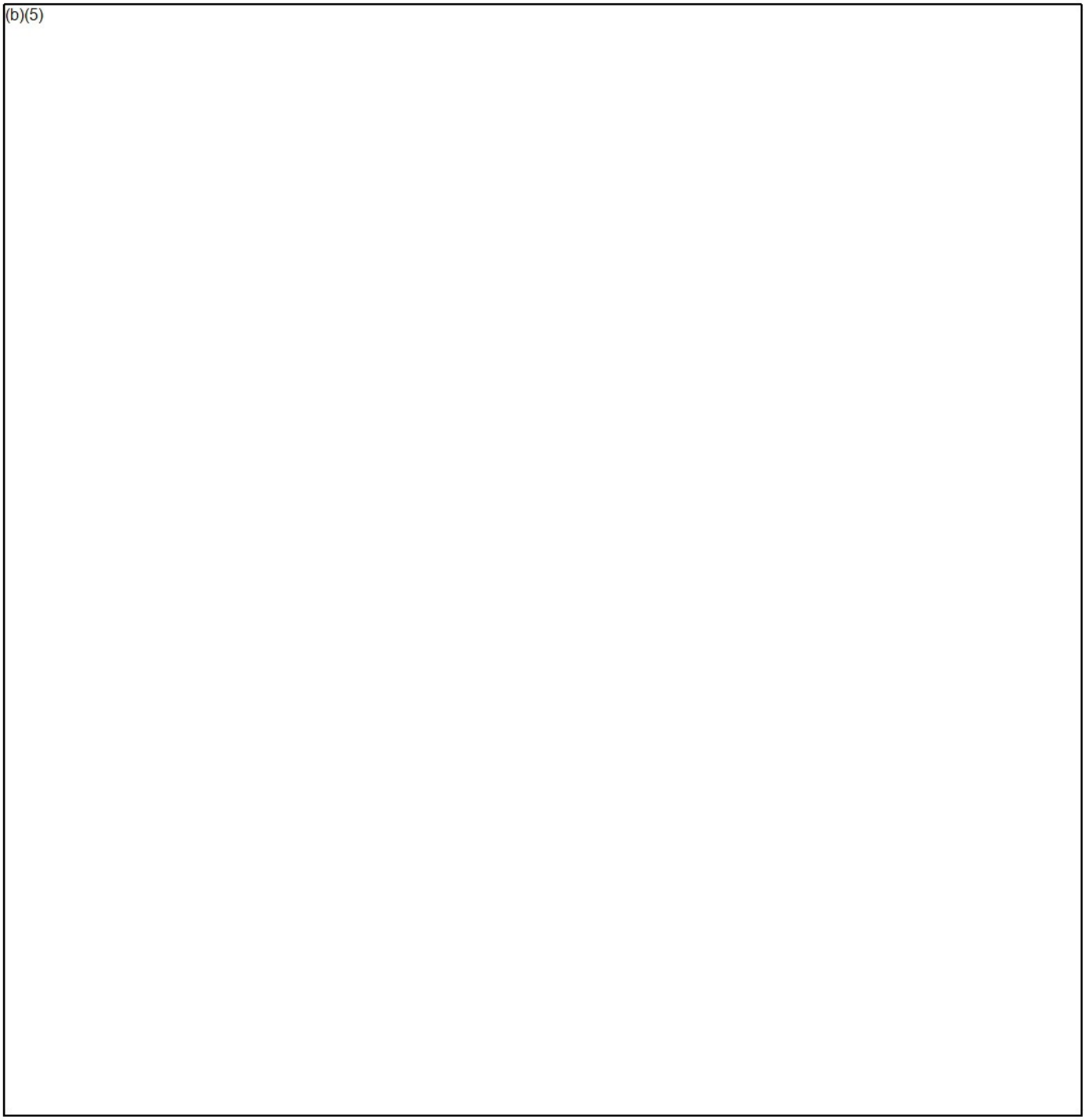
Please advise if any further clarification is required. Thank you!

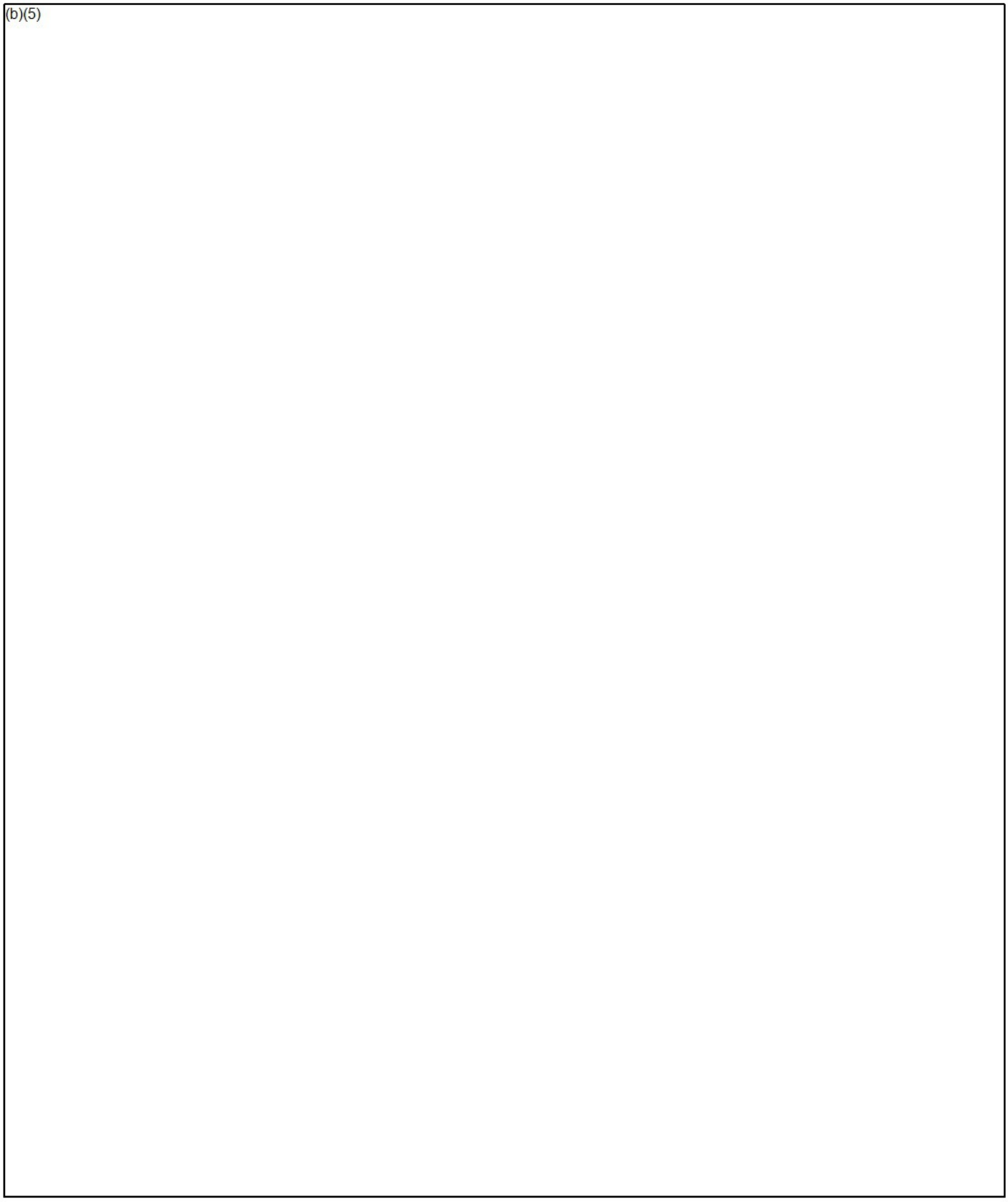
(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

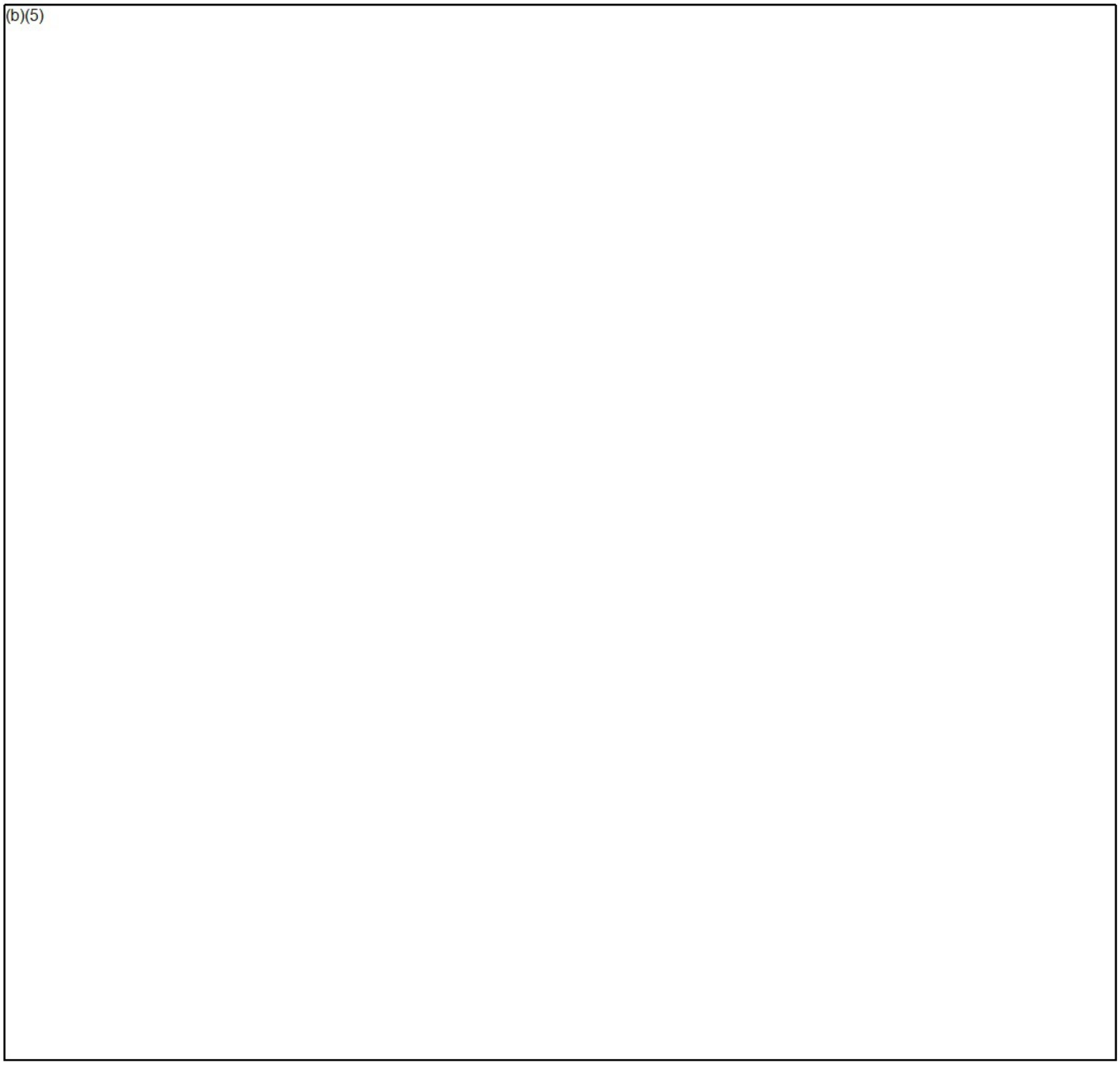
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Code:PHEAA


(b)(5)


(b)(5)


(b)(5)

From: (b)(4); (b)(6)
Sent: 10 May 2017 16:12:46 -0400
To: Jackson, Lateata
Cc: Kim, Bora;CM_Validation;Battle, Cynthia(b)(4); (b)(6) /PHEAA(b)(4); (b)(6) /PHEAA;HQ-2B-SE/PHEAA HQ;Foss, Ian;Tessitore, Lisa;(b)(4); (b)(6) /PHEAA;Walsh, Mark;(b)(4); (b)(6) /AES;Yorkshire, Nikcola;(b)(4); (b)(6) /AES;Bubel, Susan;Chialastri, Taneka
Subject: Re: RE: FSA CR 2785 - PHEAA NegAm
Attachments: Comments on PHEAA CR 2785 Validation May 2017.docx, Comments on PHEAA CR 2785 Validation May 2017_PHEAA response.docx

Good Afternoon LaTeata!
Attached is our response to your comments/questions. We are ready to provide any additional clarification where needed during tomorrow's walkthrough.

Take Care!

(b)(4); (b)(6)
FedLoan Servicing School Support
@pheaa.org
Phone: (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: (b)(4); (b)(6) PHEAA" <@pheaa.org>,(b)(4); (b)(6) PHEAA <@aessuccess.org> PHEAA <@aessuccess.org>,(b)(4); (b)(6) /AES" <@aessuccess.org>,(b)(4); (b)(6) /AES <@pheaa.org>,(b)(4); (b)(6) /AES <@aessuccess.org>, HQ-2B-SE/PHEAA HQ <HQ-2B-SE/PHEAA_HQ@stryder.aessuccess.org>
Cc: "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>
Date: 05/09/2017 08:21 AM
Subject: [external]RE: FSA CR 2785 - PHEAA NegAm

In preparation for our walkthrough on Thursday, FSA wanted to share some preliminary comments/questions we have on the artifacts you submitted. We are requesting that PHEAA take a look at these. In some cases we believe you are missing information in your artifacts that you will need to provide prior to the walkthrough. In others, you will need to explain your processing to help us understand what you are trying to convey. We will need to address all of theseduring our walkthrough.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

(b)(4); (b)(6)

(b)(4); (b)(6)

-----Original Appointment-----
From: (b)(4); (b)(6) /PHEAA [mailto: @pheaa.org]
Sent: Wednesday, February 22, 2017 10:54 AM
To: (b)(4); (b)(6) /PHEAA; Kim, Bora; CM_Validation; Battle, Cynthia; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /PHEAA; Foss, Ian; Jackson, Lateata; Oldre, Lisa; Walsh, Mark; (b)(4); (b)(6) /AES; Yorkshire, Nikcola; (b)(4); (b)(6) /AES; (b)(4); (b)(6) /AES; Bubel, Susan; Chialastri, Taneka; HQ-2B-SE/PHEAA HQ; Conf No FedLoan (b)(4); (b)(6) /Telecomm Equipment/PHEAA HQ
Subject: FSA CR 2785 - PHEAA NegAm
When: Thursday, May 11, 2017 9:00 AM-12:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: HQ-2B-SE/PHEAA HQ@pheaa

Adjusting the internal location. No other changes.
Event Information

Event:
FSA CR 2785 - PHEAA NegAm Validation

Program:
FSA

Event address for attendees:
https://fedloanservicing.webex.com/fedloanservicing/onstage/g.php?MTID=e88d6ea46666adb4e0f2cb1faf106455c

Date and time:
Tuesday, May 9, 2017 9:00 am
Eastern Daylight Time (New York, GMT-04:00)

Duration:
1 hour

Event number:
(b)(6)

Event password:
(b)(6)

Audio conference:
NUMBER: (b)(6)
ACCESS CODE: (b)(6)

<< File: ecblank.gif >> << File: ATT00001.htm >> << File: ATT00002.htm >> << File: c122738.ics >>

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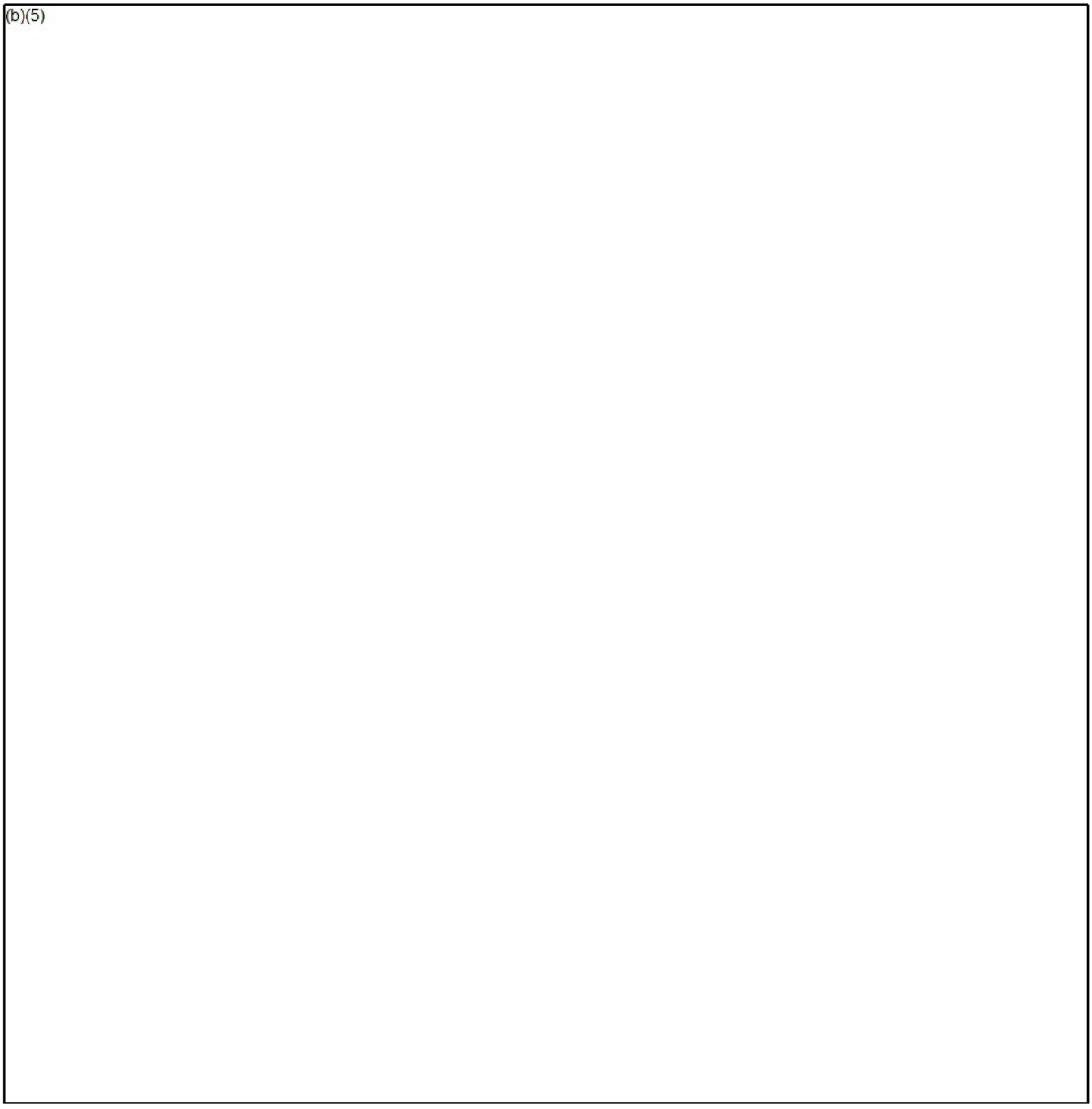
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(b)(5)

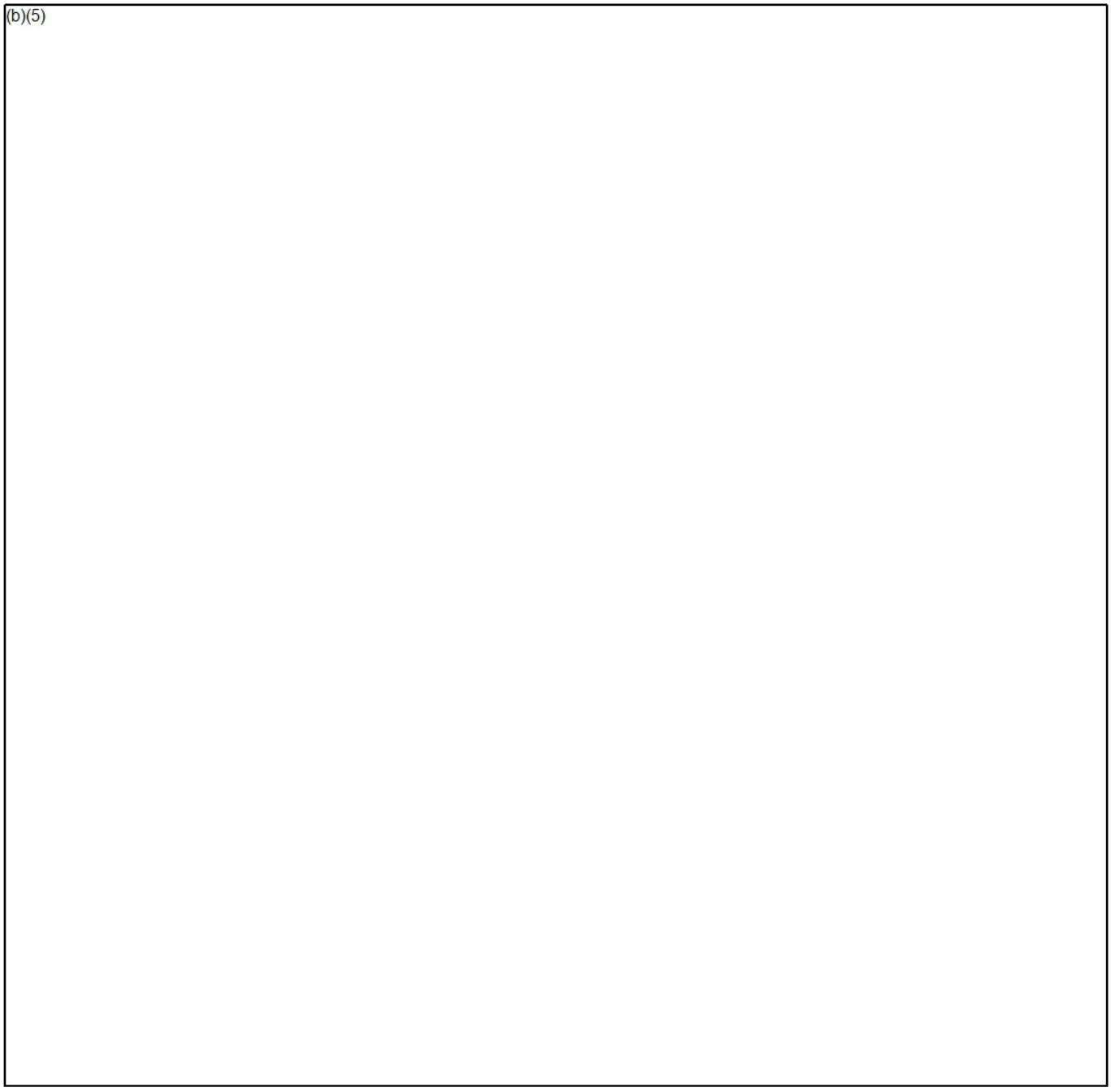
(b)(5)

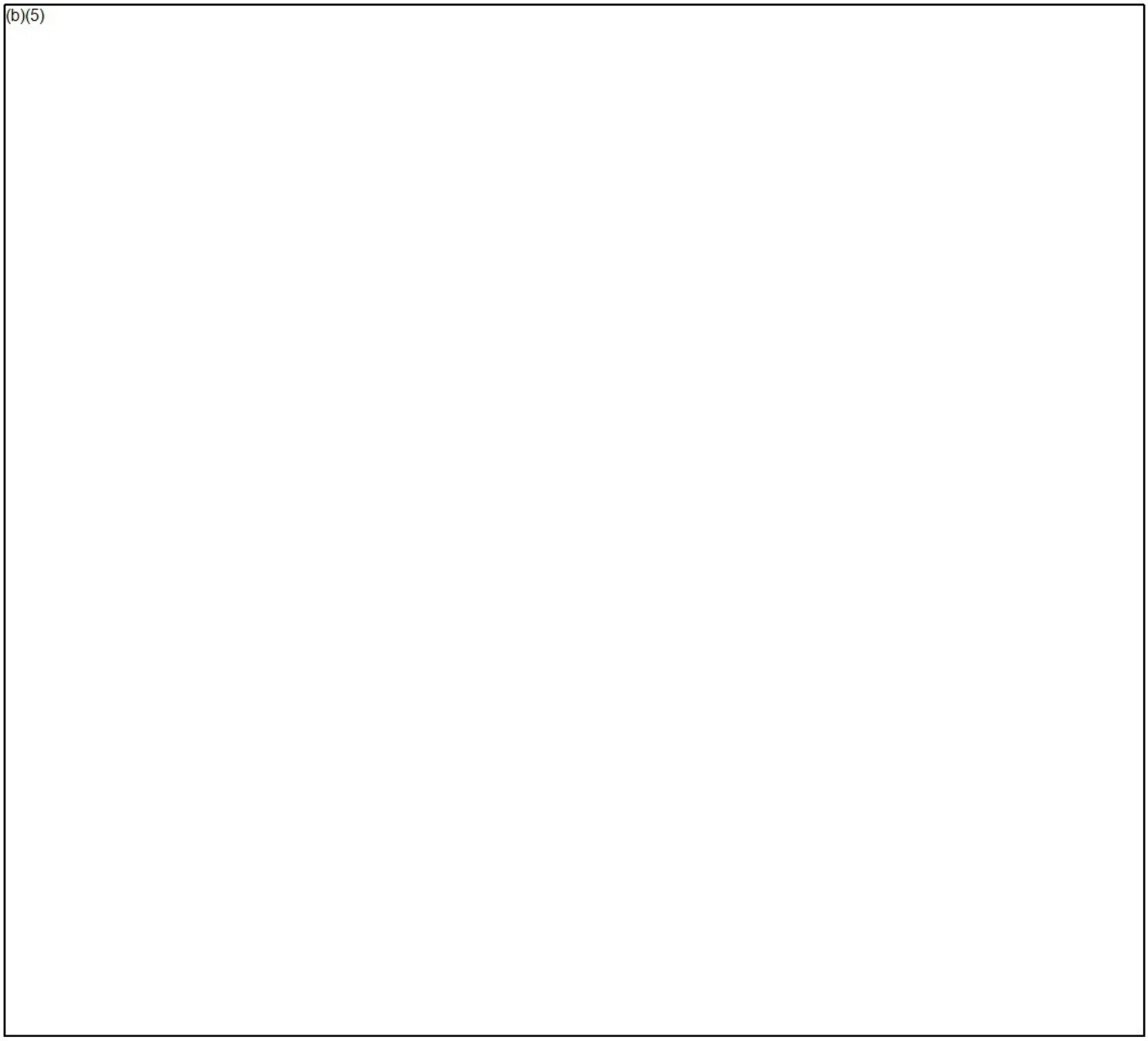
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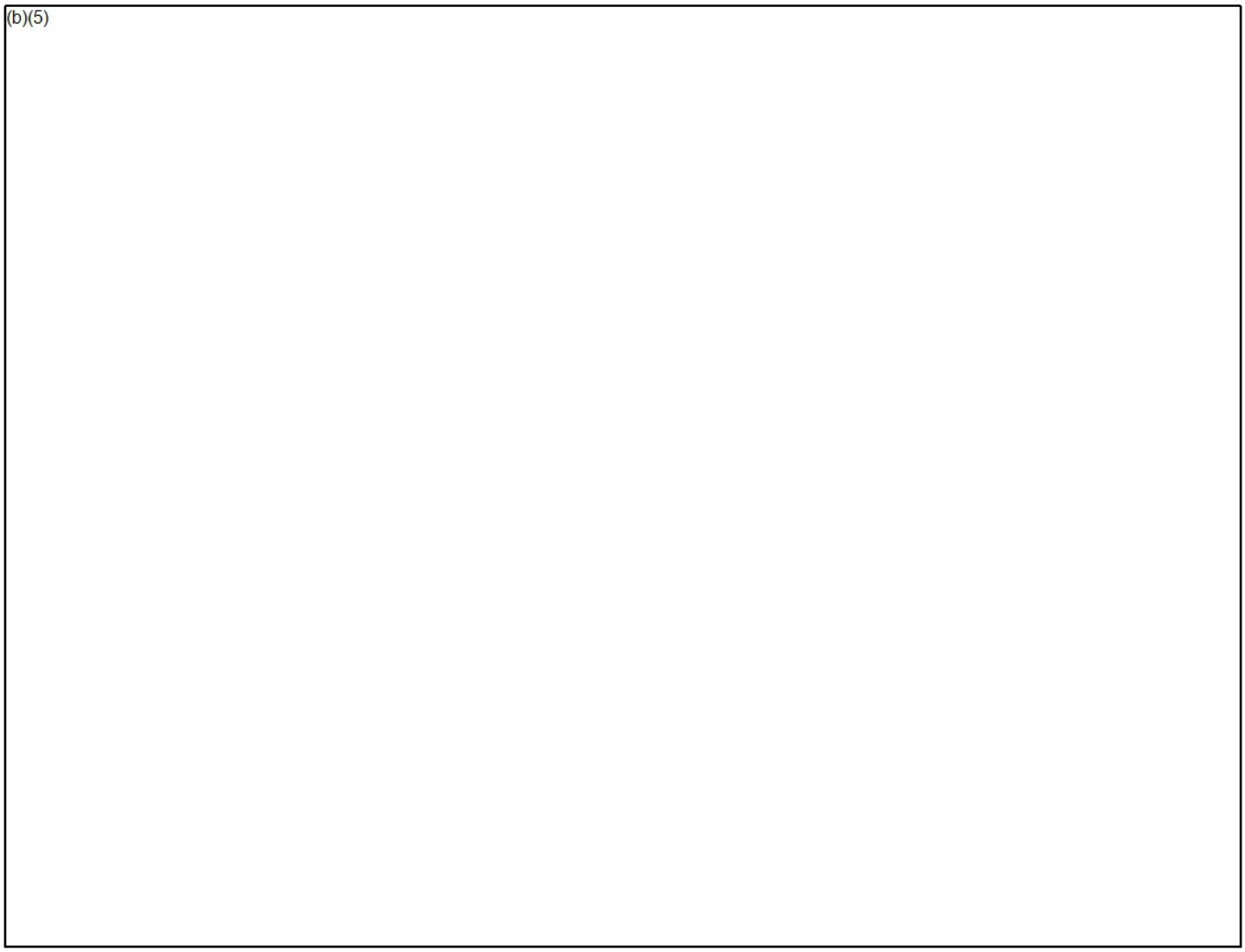

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(b)(5)

From: (b)(4); (b)(6)
Sent: 11 May 2017 08:29:39 -0400
To: Jackson, Lateata
Cc: Kim, Bora;CM_Validation;Battle, Cynthia;(b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /PHEAA;HQ-2B-SE/PHEAA HQ;Foss, Ian;Mahon, Karen;Tessitore, Lisa;Walsh, Mark;(b)(4); (b)(6) /AES;Yorkshire, Nikcola;Washington, Patrice;(b)(4); (b)(6) (b)(4); (b)(6) AES;Bubel, Susan;Chialastri, Taneka
Subject: Re: Re: FSA CR 2785 - PHEAA NegAm
Attachments: ATT00001.jpg

Good Morning La Teata!

(b)(5)

Thank you!!!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: (b)(4); (b)(6) @pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, (b)(4); (b)(6) PHEAA @aessuccess.org>, (b)(4); (b)(6) PHEAA @aessuccess.org>, HQ-2B-SE/PHEAA HQ <HQ-2B-SE/PHEAA_HQ@stryder.aessuccess.org>, "Foss, Ian" <Ian.Foss@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, (b)(4); (b)(6) PHEAA" @pheaa.org>, "Walsh, Mark" <Mark.Walsh@ed.gov>,(b)(4); (b)(6) AES" @aessuccess.org>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>,(b)(4); (b)(6) AES @aessuccess.org>, "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>, "Mahon, Karen" <Karen.Mahon@ed.gov>
Date: 05/10/2017 08:13 PM
Subject: [external]Re: FSA CR 2785 - PHEAA NegAm

(b)(5)

(b)(5)

La Teata Jackson
Change Management Division
Desk - 202-377-3269

> On May 10, 2017, at 4:12 PM, (b)(4); (b)(6) @pheaa.org> wrote:
>
> Good Afternoon LaTeata!
> Attached is our response to your comments/questions. We are ready to provide any additional clarification where needed during tomorrow's walkthrough.
>
>
>
>
>
> Take Care!
>
>
> (b)(4); (b)(6)
> FedLoan Servicing School Support
> (b)(4); (b)(6) @pheaa.org
> Phone: (b)(6)
>
>
>
> From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
> To: (b)(4); (b)(6) /PHEAA" @pheaa.org>, (b)(4); (b)(6) (b)(4); (b)(6) /PHEAA (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) /PHEAA (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) /AES" (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) /AES (b)(4); (b)(6) @pheaa.org>, (b)(4); (b)(6) /AES (b)(4); (b)(6) @aessuccess.org>, HQ-2B-SE/PHEAA HQ <HQ-2B-SE/PHEAA_HQ@stryder.aessuccess.org>
> Cc: "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>
> Date: 05/09/2017 08:21 AM
> Subject: [external]RE: FSA CR 2785 - PHEAA NegAm
> _____
>
>
>
> In preparation for our walkthrough on Thursday, FSA wanted to share some preliminary comments/questions we have on the artifacts you submitted. We are requesting that PHEAA take a look at these. In some cases we believe you are missing information in your artifacts that you will need to provide prior to the walkthrough. In others, you will need to explain your processing to help us understand what you are trying to convey. We will need to address all of these during our walkthrough.
>

(b)(4); (b)(6)

(b)(4); (b)(6)

>
> La Teata Jackson
> Change Management Division
> Federal Student Aid
> U.S. Department of Education
> desk - (202)377-3269
>
> [cid:_2_21A7BB3421A7B670006F08B58525811C]
>
> Nothing is so strong as gentleness and nothing is so gentle as real strength.
> Saint Francis de Sales C.O.
>
>
> -----Original Appointment-----
> From: (b)(4); (b)(6) /PHEAA [mailto:(b)(4); @pheaa.org]
> Sent: Wednesday, February 22, 2017 10:54 AM
> To: (b)(4); (b)(6) PHEAA; Kim, Bora; CM_Validation; Battle, Cynthia;
(b)(4); (b)(6)
(b)(4); (b)(6) /PHEAA (b)(4); (b)(6) PHEAA; Foss, Ian; Jackson, Lateata; Oldre, Lisa; Walsh, Mark; (b)(4); (b)(6) AES; Yorkshire, Nikcola; (b)(4); (b)(6) /AES; (b)(4); (b)(6) /AES; Bubel, Susan; Chialastri, Taneka; HQ-2B-SE/PHEAA HQ; Conf No FedLoan (b)(4); (b)(6)
/Telecomm Equipment/PHEAA HQ
> Subject: FSA CR 2785 - PHEAA NegAm
> When: Thursday, May 11, 2017 9:00 AM-12:00 PM (UTC-05:00) Eastern Time (US & Canada).
> Where: HQ-2B-SE/PHEAA HQ@pheaa
>
>
> Adjusting the internal location. No other changes.
> Event Information
>
>
>
>
>
>
>
>
> Event:
> FSA CR 2785 - PHEAA NegAm Validation
>
>
> Program:
> FSA
>
>
> Event address for attendees:
> https://urldefense.proofpoint.com/v2/url?u=https-3A__fedloanservicing.webex.com_fedloanservicing_onstage_g.php-3FMTID-3De88d6ea46666adb4e0f2cb1faf106455c&d=DwIFAg&c=9ut6RcAKs8AF_YMM4QH5hA&r=isbFvCoOoGDxCe_yJ-Ua7g&m=wNTCididJQdtKzcLJ0CjOph_ICn8h4OZvS768dFubhI&s=JMf8_kNyt5zd4a8TOmT7G_brVdsQGcjo1KBUk74ttQ4&e=
<https://urldefense.proofpoint.com/v2/url?u=https-3A__fedloanservicing.webex.com_fedloanservicing_onstage_g.php-3FMTID-3De88d6ea46666adb4e0f2cb1faf106455c&d=DwMFAg&c=9ut6RcAKs8AF_YMM4QH5hA&r=smJn0hbhjsDz8vD5-

B8wj7oYl3eEBFdf_O29oaAkidQ&m=1rFAvlTAQ1UTTRkSmXsr9x_ymwJSG0BdZjLD5owWZeE&s=qoWGDdPBcOZQ6k_sWTm7T4FbgUVepASuBiduUKEw7NM&e=>
>
>
> Date and time:
> Tuesday, May 9, 2017 9:00 am
> Eastern Daylight Time (New York, GMT-04:00)
>
>
> Duration:
> 1 hour
>
>
> Event number:
> (b)(6)
>
>
> Event password:
> (b)(6)
>
>
> Audio conference:
> NUMBER: (b)(6)
> ACCESS CODE: (b)(6)
>
>
>
> <<File:ecblank.gif>> <<File:ATT00001.htm>> <<File:ATT00002.htm>> <<File:c122738.ics>>
>
>
> _____
> This message contains privileged and confidential information intendedfor the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.
>
> The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.
>
> Code:PHEAA
> <ATT00001.jpg>
> <Comments on PHEAA CR 2785 Validation May 2017.docx>
> <Comments on PHEAA CR 2785 Validation May 2017_PHEAA response.docx>

From: Bubel, Susan
Sent: 27 Jan 2017 20:28:00 +0000
To: (b)(4); (b)(6)
Cc: Kim, Bora;Battle, Cynthia;(b)(4); (b)(6)
(b)(4); (b)(6) ;FedLoanProgramManagement;Foss, Ian;(b)(4); (b)(6) Jackson, Lateata;Oldre, Lisa (b)(4); (b)(6)
(b)(4); (b)(6) ;Walsh, Mark;Yorkshire, Nikcola;'PHEAACRs';Chialastri, Taneka
Subject: RE: RE: RE: CR 2785 PHEAA walk through Part 2

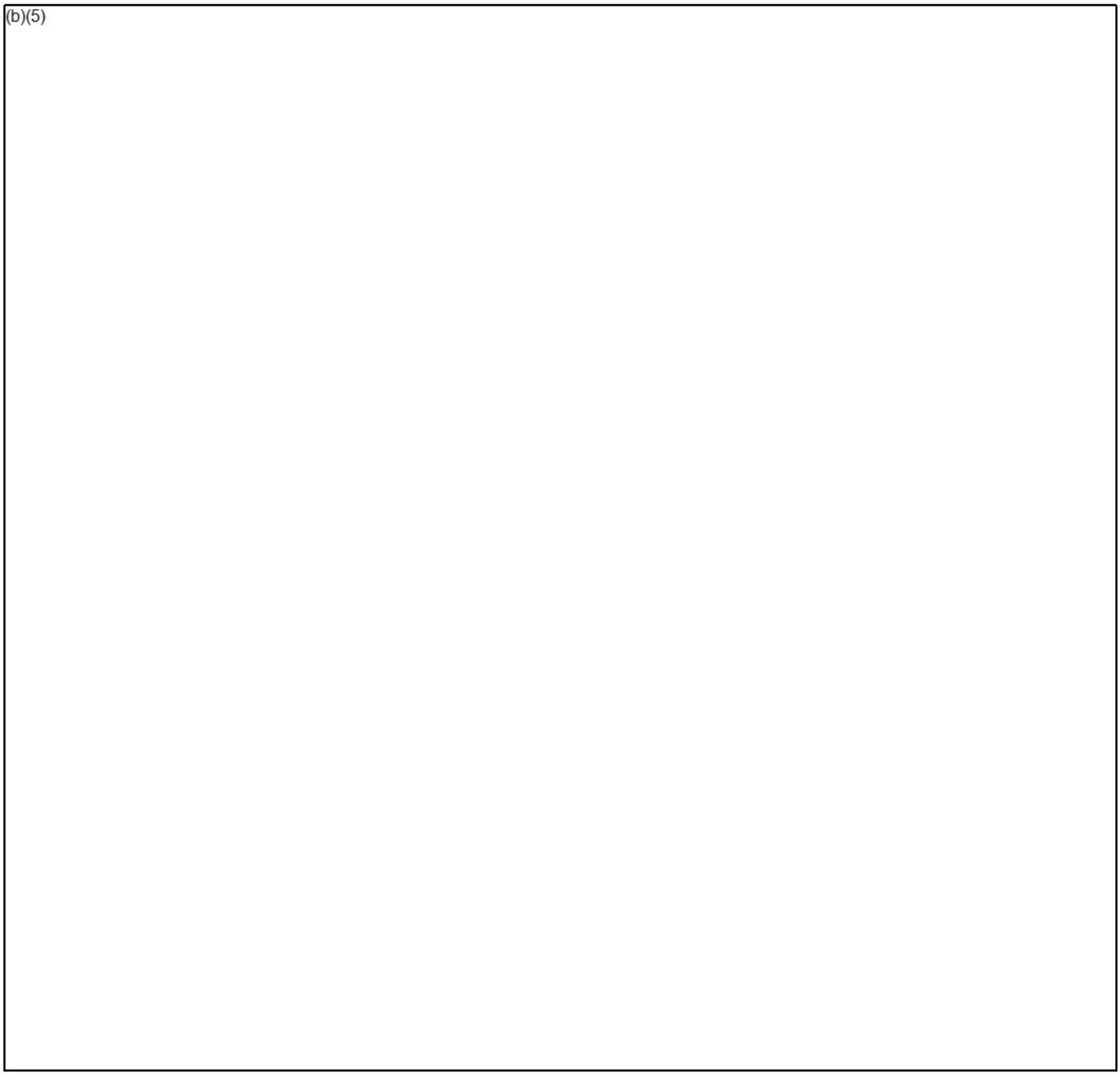
(b)(5)

(b)(5)

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto @aessuccess.org]
(b)(4); (b)(6)
Sent: Friday, January 27, 2017 3:16 PM
To: Bubel, Susan
Cc: Kim, Bora; Battle, Cynthia;(b)(4); (b)(6)
FedLoanProgramManagement; Foss, Ian;(b)(4); (b)(6) Jackson, Lateata; Oldre, Lisa;(b)(4); (b)(6)
Walsh, Mark; Yorkshire, Nikcola; 'PHEAACRs'; Chialastri, Taneka
Subject: Re: RE: RE: CR 2785 PHEAA walk through Part 2

Hi Sue,


(b)(5)

(b)(5)

(b)(4); (b)(6)

AES/PHEAA

(b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: (b)(4); (b)(6) pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>(b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) essuccess.org>, FedLoanProgramManagement <FedLoanProgramManagement@pheaa.org>, "Foss, Ian" <Ian.Foss@ed.gov>(b)(4); (b)(6) aessuccess.org>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "'PHEAACRs'" <PHEAACRs@pheaa.org>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>
Date: 01/27/2017 02:14 PM
Subject: [external]RE: RE: CR 2785 PHEAA walk through Part 2

(b)(5)

Still reviewing but wanted to give you as much lead time as possible.

(b)(4); (b)(6)

Thanks,

Sue

From: (b)(4); (b)(6) [mailto: @pheaa.org]
Sent: Friday, January 27, 2017 1:10 PM
To: Bubel, Susan
Cc: Kim, Bora; Battle, Cynthia; (b)(4); (b)(6) FedLoanProgramManagement; Foss, Ian; (b)(4); (b)(6) Jackson, Lateata; Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola; 'PHEAACRs'; Chialastri, Taneka
Subject: Re: RE: CR 2785 PHEAA walk through Part 2

Acknowledged! We'll take a look and provide response ASAP.

Thanks!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: "'PHEAACRs'" <PHEAACRs@pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, FedLoanProgramManagement <FedLoanProgramManagement@pheaa.org>(b)(4); (b)(6) @aessuccess.org>,(b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>,(b)(4); (b)(6) @aessuccess.org>,(b)(4); (b)(6) @aessuccess.org>
Date: 01/27/2017 12:17 PM
Subject: [external]RE: CR 2785 PHEAA walk through Part 2

(b)(5)

I am putting together a review report with all of my comments/ questions, but thought this was important to get an understanding as soon as possible.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Thursday, January 26, 2017 8:36 AM
To: Bubel, Susan
Cc: Kim, Bora; Battle, Cynthia; Foss, Ian; Jackson, Lateata; Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola; PHEAACRs; Chialastri, Taneka; FedLoanProgramManagement; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: Re: CR 2785 PHEAA walk through Part 2

Good Morning Sue!

(b)(5)

Talk to you soon!!! Thank you!

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | o: (b)(6) | m: (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, (b)(4); (b)(6) @pheaa.org>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>
Date: 01/25/2017 05:12 PM
Subject: [external]CR 2785 PHEAA walk through Part 2

Good Afternoon,

I wanted to give you a heads up on a few items we would like to see tomorrow morning that FSA still has some questions/ concerns with.

(b)(5)

FSA would like to see this demonstrated as well.

(b)(5)

(b)(5)

Feel free to invite CornerStone and MOHELA to join since this is the last meeting and it may be beneficial for them to hear the questions and responses.

Looking forward to our meeting tomorrow morning.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Wednesday, January 25, 2017 1:19 PM
To: Bubel, Susan
Cc: Kim, Bora; Battle, Cynthia; Foss, Ian; Jackson, Lateata; Oldre, Lisa; @pheaa.org'; Walsh, Mark; Yorkshire, Nikcola; PHEAACRs (PHEAACRs@pheaa.org); Chialastri, Taneka
Subject: Re: RE: CR 2785 PH 4 of 4 - Artifacts

(b)(4); (b)(6)

My apologies!
I think the password may have been incorrectly typed. I have attached a new zip file encrypted with the standard password.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
@pheaa.org
Phone: (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>

(b)(4); (b)(6)

(b)(4); (b)(6)

To: "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, [redacted]@pheaa.org'" [redacted]@pheaa.org>, "PHEAACRs (PHEAACRs@pheaa.org)" <PHEAACRs@pheaa.org>
Date: 01/25/2017 12:53 PM
Subject: [external]RE: CR 2785 PH 4 of 4 - Artifacts

Not sure what happened, but I cannot open documents in this file with the standard password. Can you possibly resend me the zip and confirm I am using the correct password?

Thanks,

Sue

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto:[redacted]@pheaa.org] **On Behalf Of** PHEAACRs
Sent: Wednesday, January 18, 2017 3:10 PM
To: Bubel, Susan
Cc: Kim, Bora; CM_Validation; Battle, Cynthia; Foss, Ian; Jackson, Lateata; (b)(4); (b)(6) Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola; Chialastri, Taneka; PHEAACRs
Subject: Re: CR 2785 PH 4 of 4 - Artifacts
Importance: High

Resending as requested. Please confirm receipt.

(b)(4); (b)(6)

Thank you

(b)(4); (b)(6)
[redacted]@pheaa.org
Phone: (b)(6)

From: PHEAACRs/AES
To: CM_Validation@ed.gov, Lateata.Jackson@ed.gov, Nikcola.Yorkshire@ed.gov, Bora.Kim@ed.gov, Ian.Foss@ed.gov, Cynthia.Battle@ed.gov, Taneka.Chialastri@ed.gov, Lisa.Oldre@ed.gov, Mark.Walsh@ed.gov, Susan.Bubel@ed.gov
Date: 01/16/2017 11:55 AM
Subject: CR 2785 PH 4 of 4 - Artifacts
Sent by: (b)(4); (b)(6)

Attached please find PHEAA's Validation Artifacts for CR 2785 - 1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

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Code:PHEAA

From: (b)(4); (b)(6)
Sent: 30 Jan 2017 13:27:52 -0500
To: Bubel, Susan
Cc: Kim, Bora;Battle, Cynthia;(b)(4); (b)(6) (b)(4); (b)(6) FedLoanProgramManagement;Foss, Ian;(b)(4); (b)(6) Jackson, Lateata;Tessitore, Lisa;Walsh, Mark;Yorkshire, Nikcola;PHEAACRs;Chialastri, Taneka
Subject: Re: RE: RE: CR 2785 PHEAA walk through Part 2

No problem at all! I'll send invites shortly!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org> (b)(4); (b)(6) @aessuccess.org>, FedLoanProgramManagement <FedLoanProgramManagement@pheaa.org>, "Foss, Ian" <Ian.Foss@ed.gov>, (b)(4); (b)(6) @aessuccess.org>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>
Date: 01/30/2017 12:41 PM
Subject: [external]RE: RE: CR 2785 PHEAA walk through Part 2

Yes Thursday at 11 works.

Thanks for the follow up,

(b)(4); (b)(6)

Sue

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Monday, January 30, 2017 12:03 PM
To: Bubel, Susan
Cc: Kim, Bora; Battle, Cynthia; (b)(4); (b)(6) (b)(4); (b)(6) FedLoanProgramManagement; Foss, Ian; (b)(4); (b)(6) ; Jackson, Lateata; Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola; 'PHEAACRs'; Chialastri, Taneka
Subject: Re: RE: CR 2785 PHEAA walk through Part 2

Hi Sue! It seems this might be best talked through via phone call or WebEx. Would you have any availability, maybe at 11am on Thursday?

Let me know and we can schedule a follow-up discussion. Thank you!!!

(b)(4); (b)(6)
Federal Contract Manager

(b)(4); (b)(6)

Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); (b)(6) @pheaa.org | o: (b)(6) | m: (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: (b)(4); (b)(6) @aessuccess.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, FedLoanProgramManagement <FedLoanProgramManagement@pheaa.org>, "Foss, Ian" <Ian.Foss@ed.gov>, (b)(4); (b)(6) @aessuccess.org>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, (b)(4); (b)(6) (b)(4); (b)(6) @pheaa.org>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "'PHEAACRs'" <PHEAACRs@pheaa.org>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>
Date: 01/30/2017 09:31 AM
Subject: [external]RE: CR 2785 PHEAA walk through Part 2

(b)(5)

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @aessuccess.org]
Sent: Monday, January 30, 2017 9:25 AM
To: Bubel, Susan
Cc: Kim, Bora; Battle, Cynthia; (b)(4); (b)(6) FedLoanProgramManagement; Foss, Ian; (b)(4); (b)(6) Jackson, Lateata; Oldre, Lisa; (b)(4); (b)(6) (b)(4); (b)(6) Walsh, Mark; Yorkshire,Nikcola; 'PHEAACRs'; Chialastri, Taneka
Subject: CR 2785 PHEAA walk through Part 2

(b)(5)

(b)(5)

(b)(4); (b)(6)

Thanks,

(b)(4); (b)(6)

AES/PHEAA

(b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: (b)(4); (b)(6) @aessuccess.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, FedLoanProgramManagement <FedLoanProgramManagement@pheaa.org>, "Foss, Ian" <Ian.Foss@ed.gov>, (b)(4); (b)(6) @aessuccess.org>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, (b)(4); (b)(6) (b)(4); (b)(6) @pheaa.org>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "'PHEAACRs'" <PHEAACRs@pheaa.org>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>
Date: 01/27/2017 03:28 PM
Subject: [external]RE: RE: RE: CR 2785 PHEAA walk through Part 2

(b)(5)

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @aessuccess.org]
Sent: Friday, January 27, 2017 3:16 PM
To: Bubel, Susan
Cc: Kim, Bora; Battle, Cynthia; (b)(4); (b)(6) FedLoanProgramManagement; Foss, Ian; (b)(4); (b)(6) Jackson, Lateata; Oldre, Lisa; (b)(4); (b)(6) (b)(4); (b)(6) ; Walsh, Mark; Yorkshire,Nikcola; 'PHEAACRs'; Chialastri, Taneka
Subject: Re: RE: RE: CR 2785 PHEAA walk through Part 2

Hi Sue,

A credit on a transaction occurs when there are multiple transactions effective the same day. Only one of the transactions will contain the interest accrual and when the on-line screen displays the transaction, the one without the accrual is displayed first presenting a credit balance.

If you look at the 2 screens below, you'll see both are effective 2/1/17, the cap transaction will cap all outstanding interest up to 1/31/17, the monthly interest accrual transaction contains the additional accrual that is accounted for in the cap.

We will be able to reproduce any artifacts requested, we are still working on a time line for the delivery of those.

(b)(4); (b)(6)
AES/PHEAA
(b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: (b)(4); (b)(6) @pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, FedLoanProgramManagement <FedLoanProgramManagement@pheaa.org>, "Foss, Ian" <Ian.Foss@ed.gov>, (b)(4); (b)(6) @aessuccess.org>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "'PHEAACRs'" <PHEAACRs@pheaa.org>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>
Date: 01/27/2017 02:14 PM
Subject: [external]RE: RE: CR 2785 PHEAA walk through Part 2

(b)(4); (b)(6)

(b)(5)

Still reviewing but wanted to give you as much lead time as possible.

Thanks,

(b)(4); (b)(6)

Sue

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @pheaa.org]
Sent: Friday, January 27, 2017 1:10 PM
To: Bubel, Susan
Cc: Kim, Bora; Battle, Cynthia; (b)(4); (b)(6) (b)(4); (b)(6) FedLoanProgramManagement; Foss, Ian; (b)(4); (b)(6) Jackson, Lateata; Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola; 'PHEAACRs'; Chialastri, Taneka
Subject: Re: RE: CR 2785 PHEAA walk through Part 2

Acknowledged! We'll take a look and provide response ASAP.

Thanks!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); (b)(6) @pheaa.org | o: (b)(6) | m: (b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: "'PHEAACRs'" <PHEAACRs@pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, FedLoanProgramManagement <FedLoanProgramManagement@pheaa.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @aessuccess.org>

Date: 01/27/2017 12:17 PM
Subject: [external]RE: CR 2785 PHEAA walk through Part 2

(b)(5)

I am putting together a review report with all of my comments/ questions, but thought this was important to get an understanding as soon as possible.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Thursday, January 26, 2017 8:36 AM
To: Bubel, Susan
Cc: Kim, Bora; Battle, Cynthia; Foss, Ian; Jackson, Lateata; Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola; PHEAACRs; Chialastri, Taneka; FedLoanProgramManagement; (b)(4); (b)(6)
(b)(4); (b)(6)
Subject: Re: CR 2785 PHEAA walk through Part 2

Good Morning Sue!

Thank you for the heads up! I circulated this request last evening, but - unfortunately, what you're hoping to see in requests 1 and 2 would require more significant lead time in order to advance the test regions the required six months and run the end of month jobs, We can talk through it shortly! Additionally, we've extended the invitation to the CornerStone and MOHELA, but with the time difference, I'm not confident they'll be able to join. More to come.

Talk to you soon!!! Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, @pheaa.org'" @pheaa.org>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>
Date: 01/25/2017 05:12 PM
Subject: [external]CR 2785 PHEAA walk through Part 2

Good Afternoon,

I wanted to give you a heads up on a few items we would like to see tomorrow morning that FSA still has some questions/ concerns with.

(b)(5)

(b)(5)

Feel free to invite CornerStone and MOHELA to join since this is the last meeting and it may be beneficial for them to hear the questions and responses.

Looking forward to our meeting tomorrow morning.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto (b)(4); (b)(6) @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Wednesday, January 25, 2017 1:19 PM
To: Bubel, Susan
Cc: Kim, Bora; Battle, Cynthia; Foss, Ian; Jackson, Lateata; Oldre, Lisa; (b)(4); (b)(6) pheaa.org'; Walsh, Mark; Yorkshire, Nikcola; PHEAACRs (PHEAACRs@pheaa.org); Chialastri, Taneka
Subject: Re: RE: CR 2785 PH 4 of 4 - Artifacts

(b)(4); (b)(6)

My apologies!
I think the password may have been incorrectly typed. I have attached a new zip file encrypted with the standard password.

Thank you!

(b)(4); (b)(6)
(b)(4); @pheaa.org
Phone: (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Bubel, Susan" <Susan.Bubel@ed.gov>
To: "Jackson, Lateata" <Lateata.Jackson@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, [redacted]@pheaa.org"' [redacted]@pheaa.org>, "PHEAACRs (PHEAACRs@pheaa.org)" <PHEAACRs@pheaa.org>
Date: 01/25/2017 12:53 PM
Subject: [external]RE: CR 2785 PH 4 of 4 - Artifacts

Not sure what happened, but I cannot open documents in this file with the standard password. Can you possibly resend me the zip and confirm I am using the correct password?

Thanks,

Sue

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto:[redacted]@pheaa.org] **On Behalf Of** PHEAACRs
Sent: Wednesday, January 18, 2017 3:10 PM
To: Bubel, Susan
Cc: Kim, Bora; CM_Validation; Battle, Cynthia; Foss, Ian; Jackson, Lateata; (b)(4); (b)(6) Oldre, Lisa; Walsh, Mark; Yorkshire, Nikcola; Chialastri, Taneka; PHEAACRs
Subject: Re: CR 2785 PH 4 of 4 - Artifacts
Importance: High

Resending as requested. Please confirm receipt.

Thank you

(b)(4); (b)(6)
(b)(4); @pheaa.org
Phone: (b)(6)

From: PHEAACRs/AES
To: CM_Validation@ed.gov, Lateata.Jackson@ed.gov, Nikcola.Yorkshire@ed.gov, Bora.Kim@ed.gov, Ian.Foss@ed.gov, Cynthia.Battle@ed.gov, Taneka.Chialastri@ed.gov, Lisa.Oldre@ed.gov, Mark.Walsh@ed.gov, Susan.Bubel@ed.gov
Date: 01/16/2017 11:55 AM
Subject: CR 2785 PH 4 of 4 - Artifacts
Sent by: (b)(4); (b)(6)

Attached please find PHEAA's Validation Artifacts for CR 2785 - 1492 Requirement Clarification.

If you have any questions or concerns, please feel free to contact me.

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 9 Jun 2017 13:27:24 -0400
To: Jackson, Lateata
Cc: Kim, Bora;CM_Validation;Battle, Cynthia;Johnson, Debbe; /PHEAA;(b)(4); (b)(6) /PHEAA;Allen, Heather;Foss, Ian;Mahon, Karen;Espinosa, Kimberly;Porter, Larry;Tessitore, Lisa;Smith, Lynn;Walsh, Mark;(b)(4); (b)(6) /AES;Reaves, Michelle;Yorkshire, Nikcola;Washington, Patrice;Bean, Paul;PHEAACRs;(b)(4); (b)(6) /AES;(b)(4); (b)(6) AES;Bubel, Susan;Chialastri, Taneka
Subject: Re: RE: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions
Attachments: Comments on PHEAA CR 2785 Updated Validation scenario #1 and 2 May 2017....docx

Good Afternoon La Teata!

Our responses are below in blue. Thanks!!!

Please let me know if you need anything additional in the interim.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o:(b)(6) | m:(b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Johnson, Debbe"<Debbe.Johnson@ed.gov>, (b)(4); (b)(6) PHEAA @aessuccess.org>, (b)(4); (b)(6) /PHEAA" @aessuccess.org>, "Allen, Heather" <Heather.Allen@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Mahon, Karen" <Karen.Mahon@ed.gov>, "Espinosa, Kimberly" <Kimberly.Espinosa@ed.gov>, "Porter, Larry" <Lawrence.Porter@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, AES" @aessuccess.org>, "Reaves, Michelle" <Michelle.Reaves@ed.gov>, "Mahon, Karen"<Karen.Mahon@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>, "Bean, Paul" <Paul.Bean@ed.gov>, (b)(4); (b)(6) AES" @pheaa.org>, AES @aessuccess.org>, "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Reaves, Michelle" <Michelle.Reaves@ed.gov>, CM_Validation <CM_Validation@ed.gov>
Date: 06/06/2017 01:05 PM
Subject: [external]RE: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

---

Good Morning,

I want to recap where we are with PHEAA on CR 2785:

(b)(5)

(b)(5)

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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(b)(4); (b)(6)

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs

Sent: Saturday, May 27, 2017 7:41 PM
To: Jackson, Lateata
Cc: Kim, Bora; CM_Validation; Battle, Cynthia; Johnson, Debbe; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) PHEAA; Allen, Heather; Foss, Ian; Mahon, Karen; Espinosa, Kimberly; Porter, Larry; Oldre, Lisa; Smith, Lynn; Walsh, Mark; (b)(4); (b)(6) AES; Reaves, Michelle; Yorkshire, Nikcola; Washington, Patrice; Bean, Paul; PHEAACRs; (b)(4); (b)(6) /AES; (b)(4); (b)(6) /AES; Bubel, Susan; Chialastri, Taneka
Subject: Re: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Hi La Teata!

We've provided responses, below. Please let me know if you have any additional questions or would like to meet to review.

Thank you!

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
(b)(4); @pheaa.org | o:(b)(6) | m:(b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov> (b)(4); (b)(6) PHEAA" <[redacted]@pheaa.org>,(b)(4); (b)(6) /PHEAA <[redacted]@aessuccess.org>,(b)(4); (b)(6) PHEAA <[redacted]@aessuccess.org>,(b)(4); (b)(6) AES" <[redacted]@aessuccess.org>,(b)(4); (b)(6) AES <[redacted]@pheaa.org>,(b)(4); (b)(6) AES <[redacted]@aessuccess.org>, "Allen, Heather" <Heather.Allen@ed.gov>, "Reaves, Michelle" <Michelle.Reaves@ed.gov>, "Mahon, Karen" <Karen.Mahon@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>, "Espinosa, Kimberly" <Kimberly.Espinosa@ed.gov>, "Johnson, Debbe" <Debbe.Johnson@ed.gov>, "Porter, Larry" <Lawrence.Porter@ed.gov>, "Bean, Paul" <Paul.Bean@ed.gov>
Date: 05/25/2017 10:32 AM
Subject: [external]RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

(b)(4); (b)(6)

FSA is reviewing the scenarios but still have questions on Scenario #1(see attached). Can you answer these for us or let us know if a meeting is needed?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education

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(b)(4); (b)(6)

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Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Thursday, May 18, 2017 4:19 PM
To: Jackson, Lateata
Cc: Bubel, Susan; Chialastri, Taneka; Kim, Bora; Foss, Ian; Oldre, Lisa; Walsh, Mark; Battle, Cynthia; CM_Validation; Yorkshire, Nikcola; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) PHEAA; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) AES; (b)(4); (b)(6) /AES; (b)(4); (b)(6) /AES; PHEAACRs; Allen, Heather; Reaves, Michelle; Mahon, Karen; Smith, Lynn; Washington, Patrice; Espinosa, Kimberly; Johnson, Debbe; Porter, Larry; Bean, Paul
Subject: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Good Afternoon La Teata!

As requested, attached are the revisions to Scenario #1 showing the progression of all transactions, including other attachments for Scenario #1 such as the loan interest letter and a summary of how our current environment produces test letters.

Revisions to Scenario #2 are also included for loans 1 and 2.

As discussed, I also wanted to formally make you aware that PHEAA has pushed our planned release of the correction for NegAm to June 8, 2017.

Please advise if any further clarification is required. Thank you!

(b)(4); (b)(6)

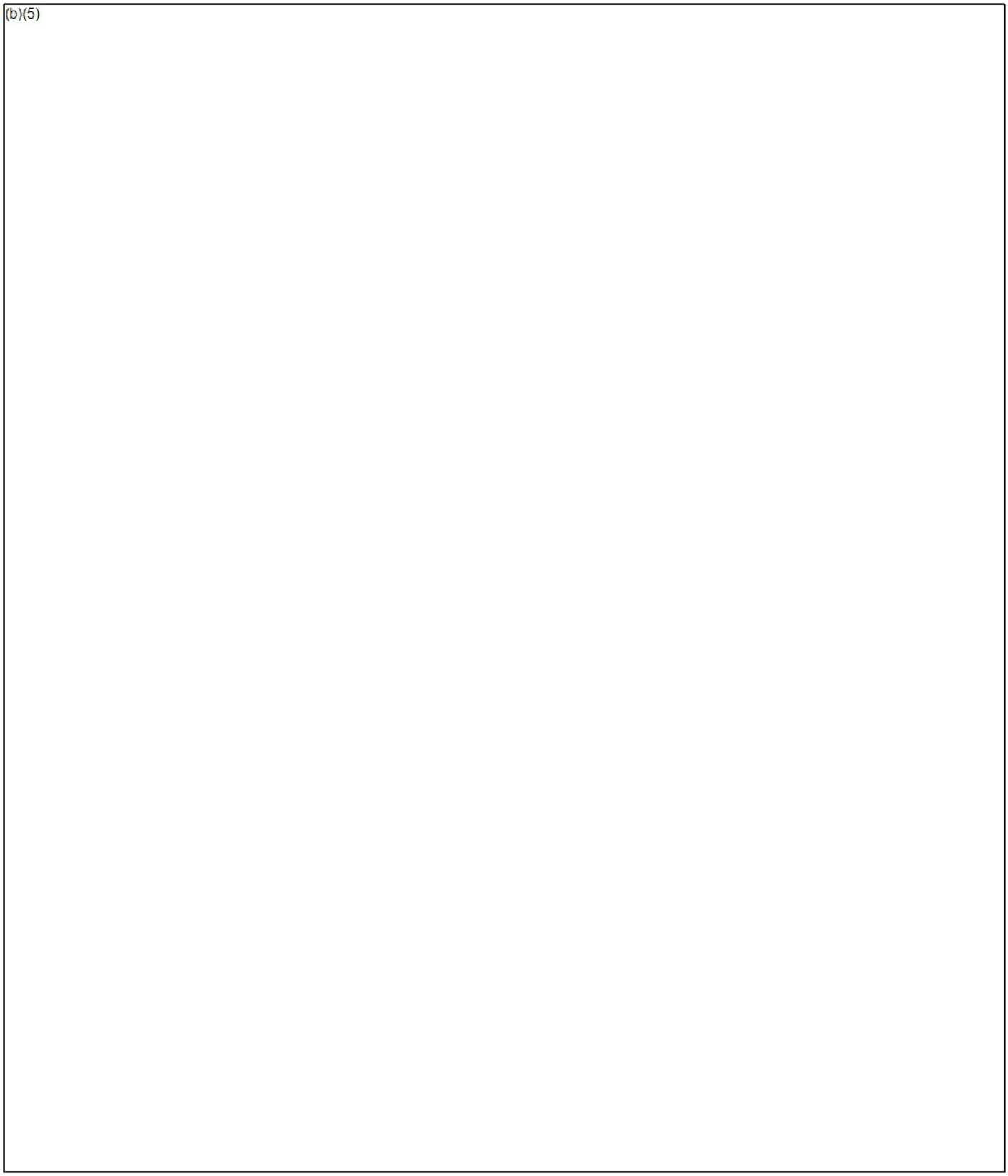
(b)(4); (b)(6)
Federal Contract Manager
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Code:PHEAA

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From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 12 Jun 2017 17:28:15 -0400
To: Jackson, Lateata
Cc: Kim, Bora;CM_Validation;Battle, Cynthia;Johnson, Debbe; /PHEAA;(b)(4); (b)(6) /PHEAA;Allen, Heather;Foss, Ian;Mahon, Karen;Espinosa, Kimberly;Porter, Larry;Tessitore, Lisa;Smith, Lynn;Walsh, Mark;(b)(4); (b)(6) /AES;Reaves, Michelle;Yorkshire, Nikcola;Washington, Patrice;Bean, Paul;PHEAACRs;(b)(4); (b)(6) /AES;(b)(4); (b)(6) /AES;Bubel, Susan;Chialastri, Taneka
Subject: Re: RE: RE: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Thanks La Teata! We will move forward accordingly.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Johnson, Debbe"<Debbe.Johnson@ed.gov>, (b)(4); (b)(6) PHEAA @aessuccess.org>, (b)(4); (b)(6) PHEAA" @aessuccess.org>, "Allen, Heather" <Heather.Allen@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Mahon, Karen" <Karen.Mahon@ed.gov>, "Espinosa, Kimberly" <Kimberly.Espinosa@ed.gov>, "Porter, Larry" <Lawrence.Porter@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, AES" @aessuccess.org>, "Reaves, Michelle" <Michelle.Reaves@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>, "Bean, Paul" <Paul.Bean@ed.gov>, (b)(4); (b)(6) AES @pheaa.org>, (b)(4); (b)(6) /AES" @aessuccess.org>, "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>
Date: 06/12/2017 07:22 AM
Subject: [external]RE: RE: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

---

FSA responses below.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
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Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Friday, June 09, 2017 1:27 PM
To: Jackson, Lateata

Cc: Kim, Bora; CM_Validation; Battle, Cynthia; Johnson, Debbe; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /PHEAA; Allen, Heather; Foss, Ian; Mahon, Karen; Espinosa, Kimberly; Porter, Larry; Oldre, Lisa; Smith, Lynn; Walsh, Mark; (b)(4); (b)(6) /AES; Reaves, Michelle; Yorkshire, Nikcola; Washington, Patrice; Bean, Paul; PHEAACRs; (b)(4); (b)(6) /AES; (b)(4); (b)(6) /AES; Bubel, Susan; Chialastri, Taneka
Subject: Re: RE: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Good Afternoon La Teata!

Our responses are below in blue. Thanks!!!

Please let me know if you need anything additional in the interim.

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Kim, Bora" <Bora.Kim@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, "Johnson, Debbe" <Debbe.Johnson@ed.gov>, (b)(4); (b)(6) PHEAA @aessuccess.org>, (b)(4); (b)(6) PHEAA" @aessuccess.org>, "Allen, Heather" <Heather.Allen@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Mahon, Karen" <Karen.Mahon@ed.gov>, "Espinosa, Kimberly" <Kimberly.Espinosa@ed.gov>, "Porter, Larry" <Lawrence.Porter@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, AES" @aessuccess.org>, "Reaves, Michelle" <Michelle.Reaves@ed.gov>, "Mahon, Karen" <Karen.Mahon@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>, "Bean, Paul" <Paul.Bean@ed.gov>, (b)(4); (b)(6) AES" @pheaa.org>, AES @aessuccess.org>, "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Reaves, Michelle" <Michelle.Reaves@ed.gov>, CM_Validation <CM_Validation@ed.gov>
Date: 06/06/2017 01:05 PM
Subject: [external]RE: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

---

Good Morning,

I want to recap where we are with PHEAA on CR 2785:

(b)(5)

(b)(5)

La Teata Jackson
Change Management Division
Federal Student Aid

U.S. Department of Education
desk - (202)377-3269

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(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Saturday, May 27, 2017 7:41 PM
To: Jackson, Lateata
Cc: Kim, Bora; CM_Validation; Battle, Cynthia; Johnson, Debbe; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /PHEAA; Allen, Heather; Foss, Ian; Mahon, Karen; Espinosa, Kimberly; Porter, Larry; Oldre, Lisa; Smith, Lynn; Walsh, Mark; (b)(4); (b)(6) AES; Reaves, Michelle; Yorkshire, Nikcola; Washington, Patrice; Bean, Paul; PHEAACRs; (b)(4); (b)(6) AES; (b)(4); (b)(6) /AES; Bubel, Susan; Chialastri, Taneka
Subject: Re: RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Hi La Teata!

We've provided responses, below. Please let me know if you have any additional questions or would like to meet to review.

Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
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(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: PHEAACRs <PHEAACRs@pheaa.org>
Cc: "Bubel, Susan" <Susan.Bubel@ed.gov>, "Chialastri, Taneka" <Taneka.Chialastri@ed.gov>, "Kim, Bora" <Bora.Kim@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Oldre, Lisa" <Lisa.Oldre@ed.gov>, "Walsh, Mark" <Mark.Walsh@ed.gov>, "Battle, Cynthia" <Cynthia.Battle@ed.gov>, CM_Validation <CM_Validation@ed.gov>, "Yorkshire, Nikcola" <Nikcola.Yorkshire@ed.gov>, (b)(4); (b)(6) /PHEAA" <@pheaa.org>, (b)(4); (b)(6) /PHEAA @aessuccess.org>, (b)(4); (b)(6) /PHEAA <@aessuccess.org>, (b)(4); (b)(6) AES" @aessuccess.org>, (b)(4); (b)(6) AES <@pheaa.org>, (b)(4); (b)(6) AES <@aessuccess.org>, "Allen, Heather" <Heather.Allen@ed.gov>, "Reaves, Michelle" <Michelle.Reaves@ed.gov>, "Mahon, Karen" <Karen.Mahon@ed.gov>, "Smith, Lynn" <Lynn.Smith@ed.gov>, "Washington, Patrice" <Patrice.Washington@ed.gov>, "Espinosa, Kimberly" <Kimberly.Espinosa@ed.gov>, "Johnson, Debbe" <Debbe.Johnson@ed.gov>, "Porter, Larry" <Lawrence.Porter@ed.gov>, "Bean, Paul" <Paul.Bean@ed.gov>
Date: 05/25/2017 10:32 AM
Subject: [external]RE: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

(b)(4); (b)(6)

FSA is reviewing the scenarios but still have questions on Scenario #1(see attached). Can you answer these for us or let us know if a meeting is needed?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269



(b)(4); (b)(6)

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Thursday, May 18, 2017 4:19 PM
To: Jackson, Lateata
Cc: Bubel, Susan; Chialastri, Taneka; Kim, Bora; Foss, Ian; Oldre, Lisa; Walsh, Mark; Battle, Cynthia; CM_Validation; Yorkshire, Nikcola; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) PHEAA; (b)(4); (b)(6) /PHEAA; (b)(4); (b)(6) /AES; (b)(4); (b)(6) AES; (b)(4); (b)(6) AES; PHEAACRs; Allen, Heather; Reaves, Michelle; Mahon, Karen; Smith, Lynn; Washington, Patrice; Espinosa, Kimberly; Johnson, Debbe; Porter, Larry; Bean, Paul
Subject: FSA CR 2785 - PHEAA NegAm - Scenario Revisions

Good Afternoon La Teata!

As requested, attached are the revisions to Scenario #1 showing the progression of all transactions, including other attachments for Scenario #1 such as the loan interest letter and a summary of how our current environment produces test letters.

Revisions to Scenario #2 are also included for loans 1 and 2.

As discussed, I also wanted to formally make you aware that PHEAA has pushed our planned release of the correction for NegAm to June 8, 2017.

Please advise if any further clarification is required. Thank you!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o:(b)(6) | m:(b)(6)

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: Bubel, Susan
Sent: 23 Jan 2017 13:17:38 +0000
To: Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark
Subject: RE: RE: RE: RE: Please Confirm to FSA Your Implementation date for CR 2785

PW to open is :

(b)(4); (b)(6)

(b)(6)

From: (b)(4); (b)(6) [mailto: @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Friday, January 20, 2017 2:12 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) ; PHEAACRs (PHEAACRs@pheaa.org)
Subject: Re: RE: RE: RE: Please Confirm to FSA Your Implementation date for CR 2785

Good Afternoon,

As requested, per the thread below, in the attached .zip file, we are providing the starting values for validation. Please let me know if you have any questions or concerns. Thank you!

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1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
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Date: 12/08/2016 02:07 PM
Subject: [external]RE: RE: RE: Please Confirm to FSA Your Implementation date for CR 2785

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From: (b)(4); (b)(6) [mailto: @pheaa.org]
Sent: Tuesday, December 06, 2016 2:20 PM
To: Jackson, Lateata
Cc: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org)
Subject: Re: RE: RE: Please Confirm to FSA Your Implementation date for CR 2785

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We just wanted to confirm that was acceptable. Thanks!!

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Date: 12/06/2016 02:04 PM
Subject: [external]RE: RE: Please Confirm to FSA Your Implementation date for CR 2785

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Borrower Name (First and Last)
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Disb Amount
PBO
IRB
Int Cap
Neg AM Cap
Int Rate

Repayment plan
Date repayment plan first due
Repayment Plan monthly amount
ACH or Monthly coupon
Anniversary date
Total Prin Paid
Total Int Paid
Most recent Bill information
Status

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Sent: Tuesday, December 06, 2016 9:59 AM
To: Jackson, Lateata
Cc: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org)
Subject: Re: RE: Please Confirm to FSA Your Implementation date for CR 2785

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We have one question in follow-up. As the dates of implementation have adjusted since the CR was originally issued, is it reasonable that we select more current accounts which reflect the same activity types?

Let me know! Thanks!!!

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Date: 12/06/2016 09:49 AM
Subject: [external]RE: Please Confirm to FSA Your Implementation date for CR 2785

Could you please set up a web conference for the walkthrough (e.g. WebEx) for the time noted. Please include La Teata Jackson, Sue Bubel, Cindy Battle & Taneka Chialastri on your invite.

We would appreciate it if you would send this today. Our calendars are filling up and we do not what anything else to take your time slot.

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From: Jackson, Lateata
Sent: Wednesday, November 30, 2016 2:05 PM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6)
Subject: RE: Please Confirm to FSA Your Implementation date for CR 2785

(b)(5)

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From: (b)(4); (b)(6) [mailto: @pheaa.org]
Sent: Monday, November 28, 2016 2:37 PM
To: Jackson, Lateata
Cc: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6)
Subject: Re: Please Confirm to FSA Your Implementation date for CR 2785

Hi La Teata! We are targeting a 12/29/2016 implementation date.

(b)(5)

Please let me know if you need anything additional. Thank you!!!

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Date: 11/28/2016 11:45 AM
Subject: [external][external]Please Confirm to FSA Your Implementation date for CR 2785

Can you please tell me you implementation date for CR 2785?

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Code:PHEAA

From: (b)(4); (b)(6) on behalf of PHEAACRs
Sent: 20 Jan 2017 14:12:14 -0500
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan
Cc: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org)
Subject: Re: RE: RE: RE: Please Confirm to FSA Your Implementation date for CR 2785
Attachments: PH2785 Supplement.zip

Good Afternoon,

As requested, per the thread below, in the attached .zip file, we are providing the starting values for validation. Please let me know if you have any questions or concerns. Thank you!

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Cc: (b)(4); (b)(6) @pheaa.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @pheaa.org>, "PHEAACRs (PHEAACRs@pheaa.org)" <PHEAACRs@pheaa.org>
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Anniversary date
Total Prin Paid

Total Int Paid
Most recent Bill information
Status

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(b)(5)

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Code:PHEAA

From: Bubel, Susan
Sent: 23 Jan 2017 14:12:53 +0000
To: Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark
Subject: RE: RE: RE: RE: Please Confirm to FSA Your Implementation date for CR 2785

Dial in for this AM's meeting is:
Good Morning! (b)(6)
Access code: (b)(6)

There is also a Webex:
Event number: (b)(6)

To view in other time zones or languages, please click the link:
https://fedloanservicing.webex.com/fedloanservicing/onstage/g.php?MTID=e84e3180faec0f6552e190532c628a723

From: Bubel, Susan
Sent: Monday, January 23, 2017 8:10 AM
To: Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark
Subject: RE: RE: RE: RE: Please Confirm to FSA Your Implementation date for CR 2785

PW to open is :

(b)(6)

From (b)(4); (b)(6) [mailto:(b)(4); @pheaa.org] **On Behalf Of** PHEAACRs
Sent: Friday, January 20, 2017 2:12 PM
To: CM_Validation; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Cc: (b)(4); (b)(6) ; PHEAACRs (PHEAACRs@pheaa.org)
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Cc: (b)(4); (b)(6) @pheaa.org>, (b)(4); (b)(6) @aessuccess.org>, (b)(4); (b)(6) @pheaa.org>, "PHEAACRs (PHEAACRs@pheaa.org)" <PHEAACRs@pheaa.org>
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Total Int Paid
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To: Jackson, Lateata
Cc: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org)
Subject: Re: RE: Please Confirm to FSA Your Implementation date for CR 2785

My apologies, La Teata! We'll get that scheduled right away.

We have one question in follow-up. As the dates of implementation have adjusted since the CR was

originally issued, is it reasonable that we select more current accounts which reflect the same activity types?

Let me know! Thanks!!!

(b)(4); (b)(6)

(b)(4); (b)(6)
Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: (b)(4); (b)(6) @pheaa.org>
Cc: (b)(4); (b)(6) @pheaa.org>, (b)(4); (b)(6) @pheaa.org>, "PHEAACRs (PHEAACRs@pheaa.org)" <PHEAACRs@pheaa.org>, (b)(4); (b)(6) @aessuccess.org>
Date: 12/06/2016 09:49 AM
Subject: [external]RE: Please Confirm to FSA Your Implementation date for CR 2785

Could you please set up a web conference for the walkthrough (e.g. WebEx) for the time noted. Please include La Teata Jackson, Sue Bubel, Cindy Battle & Taneka Chialastri on your invite.

We would appreciate it if you would send this today. Our calendars are filling up and we do not what anything else to take your time slot.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
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Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Wednesday, November 30, 2016 2:05 PM
To: (b)(4); (b)(6)
Cc: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6)
Subject: RE: Please Confirm to FSA Your Implementation date for CR 2785

(b)(5)

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid
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PROUD SPONSOR of the AMERICAN MIND™

(b)(4); (b)(6)

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: (b)(4); (b)(6) [mailto: @pheaa.org]
Sent: Monday, November 28, 2016 2:37 PM
To: Jackson, Lateata
Cc: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6)
Subject: Re: Please Confirm to FSA Your Implementation date for CR 2785

Hi La Teata! We are targeting a 12/29/2016 implementation date.

(b)(5)

(b)(5)

Please let me know if you need anything additional. Thank you!!!

(b)(4); (b)(6)

(b)(4); (b)(6)

Federal Contract Manager
Pennsylvania Higher Education Assistance Agency (PHEAA)
1200 N. 7th Street, Harrisburg, PA 17102
@pheaa.org | o: (b)(6) | m: (b)(6)

From: "Jackson, Lateata" <Lateata.Jackson@ed.gov>
To: (b)(4); (b)(6) @pheaa.org>, (b)(4); (b)(6) @pheaa.org>, "PHEAACRs (PHEAACRs@pheaa.org)" <PHEAACRs@pheaa.org>
Date: 11/28/2016 11:45 AM
Subject: [external][external]Please Confirm to FSA Your Implementation date for CR 2785

Can you please tell me you implementation date for CR 2785?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

From: Bryant, Michael
Sent: 31 May 2017 16:01:29 +0000
To: Estrada, Rosie;Howell, Lawannah;Russo, Kami;Foss, Ian;Burton, Vanessa
Cc: Scaniffe, Dawn;Varnovitsky, Natasha
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest
Attachments: New Rehab Agreement Letter - v2.doc

Ian and OGC-

Our current rehab agreement letter (RAL) includes the following statement, which appears to conflict with the impending regulatory change referenced below:

(b)(5)

(b)(5) Let me know if you disagree. Note: this RAL is used for all loan programs: FFEL, Direct and Perkins.

Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993

From: Estrada, Rosie
Sent: Tuesday, May 30, 2017 5:53 PM
To: Howell, Lawannah; Russo, Kami; Bryant, Michael
Cc: Estrada, Rosie
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

This is the most confusing thing about rehab for me. (b)(5)

(b)(5)

Rosie Estrada

U.S. Department of Education
FSA| Processing Division| Loan Exchange Unit
50 U.N. Plaza |Mail Box 1200 | Room 1310
San Francisco, CA 94102
Office: (415) 486-5643 | Fax: (415) 486-5672
Federal Student Aid
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StudentAid.gov

From: Howell, Lawannah
Sent: Tuesday, May 30, 2017 10:00 AM
To: Estrada, Rosie; Russo, Kami
Subject: FW: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest
Importance: High

Hi Rosie,

I received this question from one of the PCAs. Are you aware of this change?? I had not heard anything about this.

Lawannah

From: (b)(4); (b)(6) mailto (b)(4); (b)(6) @gcserv.com]
Sent: Tuesday, May 30, 2017 11:55 AM
To: Howell, Lawannah
Subject: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

Good morning Lawannah,

Based on our call, here is the information that our legal team passed to me regarding the change needed to the RAL.

- (b)(5)
-

Page 2438

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2439

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Russo, Kami
Sent: 2 Jun 2017 22:03:29 +0000
To: Bryant, Michael;Burton, Vanessa;Foss, Ian;Estrada, Rosie;Howell, Lawannah
Cc: Scaniffe, Dawn;Varnovitsky, Natasha
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

Mike.

(b)(5)

However once you put the CR in how long before you think the changes will be made.

Also I have a couple of questions:

- (b)(5)
-
-

Note: Suggested changes to RAL are in RED

Kami Russo
Senior Advisor
U.S. Department of Education
Federal Student Aid
Business Operations
Phone: 617-289-0060
Cell: 857-319-6207
kami.russo@ed.gov

From: Bryant, Michael
Sent: Wednesday, May 31, 2017 12:08 PM

To: Burton, Vanessa; Foss, Ian; Estrada, Rosie; Howell, Lawannah; Russo, Kami
Cc: Scaniffe, Dawn; Varnovitsky, Natasha
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

(b)(5) Unless I hear differently, I will get the ball rolling on a change to the letter.

Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993

From: Burton, Vanessa
Sent: Wednesday, May 31, 2017 11:04 AM
To: Foss, Ian; Bryant, Michael; Estrada, Rosie; Howell, Lawannah; Russo, Kami
Cc: Scaniffe, Dawn; Varnovitsky, Natasha
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

(b)(5)

From: Foss, Ian
Sent: Wednesday, May 31, 2017 12:03 PM
To: Bryant, Michael; Estrada, Rosie; Howell, Lawannah; Russo, Kami; Burton, Vanessa
Cc: Scaniffe, Dawn; Varnovitsky, Natasha
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

(b)(5)

From: Bryant, Michael
Sent: Wednesday, 31 May, 2017 12:01
To: Estrada, Rosie; Howell, Lawannah; Russo, Kami; Foss, Ian; Burton, Vanessa
Cc: Scaniffe, Dawn; Varnovitsky, Natasha
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

Ian and OGC-

Our current rehab agreement letter (RAL) includes the following statement, which appears to conflict with the impending regulatory change referenced below:

(b)(5)

(b)(5) Let me know if you disagree. Note: this RAL is used for all loan programs: FFEL, Direct and Perkins.

Mike Bryant
Office: 319-665-7618
Fax: 319-665-7993

From: Estrada, Rosie
Sent: Tuesday, May 30, 2017 5:53 PM
To: Howell, Lawannah; Russo, Kami; Bryant, Michael
Cc: Estrada, Rosie
Subject: RE: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

This is the most confusing thing about rehab for me. (b)(5)

(b)(5)

Rosie Estrada
U.S. Department of Education
FSA| Processing Division| Loan Exchange Unit
50 U.N. Plaza |Mail Box 1200 | Room 1310
San Francisco, CA 94102
Office: (415) 486-5643 | Fax: (415) 486-5672
Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION
PROUD SPONSOR of the AMERICAN MIND™
StudentAid.gov

From: Howell, Lawannah
Sent: Tuesday, May 30, 2017 10:00 AM
To: Estrada, Rosie; Russo, Kami
Subject: FW: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest
Importance: High

Hi Rosie,

I received this question from one of the PCAs. Are you aware of this change?? I had not heard anything about this.

Lawannah

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @gcserv.com]
Sent: Tuesday, May 30, 2017 11:55 AM
To: Howell, Lawannah
Subject: Rehab FFEL Loans - Capitalization of Outstanding Accrued Interest

Good morning Lawannah,

Based on our call, here is the information that our legal team passed to me regarding the change needed to the RAL.

- (b)(5)
-

From: Chialastri, Taneka
Sent: 3 Sep 2015 19:07:07 +0000
To: Bubel, Susan;Foss, Ian;Battle, Cynthia
Cc: Jackson, Lateata
Subject: RE: REPAYE - Capitalization Changes

Also edit (b)(5) The requirement text is fine.

From: Bubel, Susan
Sent: Thursday, September 03, 2015 2:59 PM
To: Foss, Ian; Battle, Cynthia; Chialastri, Taneka
Cc: Jackson, Lateata
Subject: RE: REPAYE - Capitalization Changes

All updated.

Also

(b)(5)

From: Foss, Ian
Sent: Thursday, September 03, 2015 2:14 PM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Cc: Jackson, Lateata
Subject: REPAYE - Capitalization Changes

Here's a list of requirements that need to be struck or tweaked:

(b)(5)

From: Bubel, Susan
Sent: 3 Sep 2015 18:45:52 +0000
To: Foss, Ian
Subject: RE: REPAYE - Capitalization Changes

(b)(5)

Almost done

From: Foss, Ian
Sent: Thursday, September 03, 2015 2:41 PM
To: Bubel, Susan
Subject: RE: REPAYE - Capitalization Changes

(b)(5)

From: Bubel, Susan
Sent: Thursday, September 03, 2015 2:40 PM
To: Foss, Ian
Subject: RE: REPAYE - Capitalization Changes

(b)(5)

From: Foss, Ian
Sent: Thursday, September 03, 2015 2:14 PM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Cc: Jackson, Lateata
Subject: REPAYE - Capitalization Changes

Here's a list of requirements that need to be struck or tweaked:

(b)(5)

From: Jackson, Lateata
Sent: 3 Sep 2015 20:31:13 +0000
To: Bubel, Susan;Foss, Ian;Battle, Cynthia;Chialastri, Taneka
Subject: RE: REPAYE - Capitalization Changes

Ok, I talked to Pam. (b)(5)

(b)(5)

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
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An OFFICE of the U.S. DEPARTMENT of EDUCATION

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Bubel, Susan
Sent: Thursday, September 03, 2015 2:59 PM
To: Foss, Ian; Battle, Cynthia; Chialastri, Taneka
Cc: Jackson, Lateata
Subject: RE: REPAYE - Capitalization Changes

All updated.

Also

(b)(5)

From: Foss, Ian
Sent: Thursday, September 03, 2015 2:14 PM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka
Cc: Jackson, Lateata
Subject: REPAYE - Capitalization Changes

Here's a list of requirements that need to be struck or tweaked:

(b)(5)

From: Hoblitzell, Barbara
Sent: 25 Aug 2015 15:09:16 +0000
To: Foss, Ian
Cc: Smith, Brian;Chesley, Susan;Appel, Jeff
Subject: Re: REPAYE: Capitalization Discussion

Thanks, Ian. (b)(5)
(b)(5)

Sent from my iPhone

On Aug 25, 2015, at 11:03 AM, Foss, Ian <Ian.Foss@ed.gov> wrote:

(b)(5)

-----Original Appointment-----
From: Hoblitzell, Barbara
Sent: Monday, August 17, 2015 3:17 PM
To: Hoblitzell, Barbara; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Cc: Allred, Victoria L.; Hales, Anthony; Siegel, Brian; Mais, Joseph
Subject: REPAYE: Capitalization Discussion
When: Tuesday, August 25, 2015 10:30 AM-11:30 AM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) [leader (b)(6)
Jon Utz prepared the attached chart several months ago, and it provides a clear comparison of how interest capitalization works in each of the current IDR plans.
IDR Plan Summary_2015-01-23.docx

From: Hoblitzell, Barbara
Sent: 24 Aug 2015 21:20:56 +0000
To: Foss, Ian
Subject: Re: REPAYE: Capitalization Discussion

Thanks, Ian!

Sent from my iPhone

On Aug 24, 2015, at 3:58 PM, Foss, Ian <Ian.Foss@ed.gov> wrote:

(b)(5)

From: Smith, Brian
Sent: Monday, August 24, 2015 3:54 PM
To: Hoblitzell, Barbara; Foss, Ian; Chesley, Susan; Hales, Anthony
Cc: Weisman, Annmarie
Subject: FW: REPAYE: Capitalization Discussion

(b)(5)

At least I can contribute the reg cites:
PAYE: 685.209(a)(2)(iv)(A)(*1*)
IBR: 685.221(b)(4)
Proposed REPAYE: 685.209(c)(2)(iv)(A)(*1*)
Brian

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Monday, August 24, 2015 3:42 PM
To: Smith, Brian; Allred, Victoria L.; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6)@omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov';(b)(6)@omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

Thanks, Brian. (b)(5)

(b)(5)

From: Smith, Brian [mailto:Brian.Smith@ed.gov]
Sent: Monday, August 24, 2015 3:33 PM
To: Allred, Victoria L.; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk,

Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

Victoria,

(b)(5)

Brian

From: Allred, Victoria L. [mailto:(b)(6) @omb.eop.gov]
Sent: Monday, August 24, 2015 3:17 PM
To: Smith, Brian; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

Thanks,
Victoria

From: Smith, Brian [mailto:Brian.Smith@ed.gov]
Sent: Monday, August 24, 2015 3:07 PM
To: Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Cc: Allred, Victoria L.
Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

(b)(5)

Brian

-----Original Appointment-----
From: Hoblitzell, Barbara
Sent: Monday, August 17, 2015 3:17 PM
To: Hoblitzell, Barbara; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Cc: Allred, Victoria L.
Subject: REPAYE: Capitalization Discussion
When: Tuesday, August 25, 2015 10:30 AM-11:30 AM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) [leader (b)(6)

From: Smith, Brian
Sent: 24 Aug 2015 20:36:56 +0000
To: Chesley, Susan;Hoblitzell, Barbara;Foss, Ian;Hales, Anthony
Cc: Weisman, Annmarie
Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

Brian

From: Chesley, Susan
Sent: Monday, August 24, 2015 4:17 PM
To: Smith, Brian; Hoblitzell, Barbara; Foss, Ian; Hales, Anthony
Cc: Weisman, Annmarie
Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

From: Smith, Brian
Sent: Monday, August 24, 2015 3:54 PM
To: Hoblitzell, Barbara; Foss, Ian; Chesley, Susan; Hales, Anthony
Cc: Weisman, Annmarie
Subject: FW: REPAYE: Capitalization Discussion

(b)(5)

At least I can contribute the reg cites:
PAYE: 685.209(a)(2)(iv)(A)(*1*)
IBR: 685.221(b)(4)
Proposed REPAYE: 685.209(c)(2)(iv)(A)(*1*)
Brian

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Monday, August 24, 2015 3:42 PM
To: Smith, Brian; Allred, Victoria L.; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6)@omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov'; (b)(6)@omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

Thanks, Brian. (b)(5)

(b)(5)

(b)(5)

From: Smith, Brian [mailto:Brian.Smith@ed.gov]
Sent: Monday, August 24, 2015 3:33 PM
To: Allred, Victoria L.; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

Victoria,

(b)(5)

Brian

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To: Smith, Brian; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

Thanks,
Victoria

From: Smith, Brian [mailto:Brian.Smith@ed.gov]
Sent: Monday, August 24, 2015 3:07 PM
To: Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Cc: Allred, Victoria L.
Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

Brian

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From: Hoblitzell, Barbara
Sent: Monday, August 17, 2015 3:17 PM
To: Hoblitzell, Barbara; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Cc: Allred, Victoria L.
Subject: REPAYE: Capitalization Discussion
When: Tuesday, August 25, 2015 10:30 AM-11:30 AM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) [leader (b)(6)]

From: Hoblitzell, Barbara
Sent: 24 Aug 2015 20:35:17 +0000
To: Chesley, Susan
Cc: Smith, Brian;Foss, Ian;Hales, Anthony;Weisman, Annmarie
Subject: Re: REPAYE: Capitalization Discussion

That would be great, Susan.

Sent from my iPhone

On Aug 24, 2015, at 4:17 PM, Chesley, Susan <Susan.Chesley@ed.gov> wrote:

(b)(5)

From: Smith, Brian
Sent: Monday, August 24, 2015 3:54 PM
To: Hoblitzell, Barbara; Foss, Ian; Chesley, Susan; Hales, Anthony
Cc: Weisman, Annmarie
Subject: FW: REPAYE: Capitalization Discussion

(b)(5)

At least I can contribute the reg cites:
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IBR: 685.221(b)(4)
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Brian

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Monday, August 24, 2015 3:42 PM
To: Smith, Brian; Allred, Victoria L.; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros;(b)(6)@omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov'; (b)(6)@omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

Thanks, Brian.(b)(5)

(b)(5)

From: Smith, Brian [mailto:Brian.Smith@ed.gov]
Sent: Monday, August 24, 2015 3:33 PM

To: Allred, Victoria L.; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

Victoria,

(b)(5)

Brian

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Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

Thanks,
Victoria

From: Smith, Brian [mailto:Brian.Smith@ed.gov]
Sent: Monday, August 24, 2015 3:07 PM
To: Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Cc: Allred, Victoria L.
Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

Brian

-----Original Appointment-----
From: Hoblitzell, Barbara
Sent: Monday, August 17, 2015 3:17 PM
To: Hoblitzell, Barbara; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
Cc: Allred, Victoria L.

Subject: REPAYE: Capitalization Discussion
When: Tuesday, August 25, 2015 10:30 AM-11:30 AM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) [leader (b)(6)

From: Hoblitzell, Barbara
Sent: 24 Aug 2015 19:23:46 +0000
To: Allred, Victoria L.
Cc: Smith, Brian;Hales, Anthony;Siegel, Brian;Weisman, Annmarie;Utz, Jon;Foss, Ian;Chesley, Susan;Appel, Jeff;Sydor, Katherine;Masiuk, Libby;McCann, Clare;Protopsaltis, Spiros;(b)(6)@omb.eop.gov;Mahaffie, Lynn;(b)(6)@omb.eop.gov;(b)(6)@omb.eop.gov
Subject: Re: REPAYE: Capitalization Discussion

Susan Chesley has put together some cost estimates. We can work on putting together the matrix...

Sent from my iPhone

On Aug 24, 2015, at 3:17 PM, Allred, (b)(6)@omb.eop.gov> wrote:

(b)(5)

Thanks,
Victoria

From: Smith, Brian [mailto:Brian.Smith@ed.gov]
Sent: Monday, August 24, 2015 3:07 PM
To: Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros;(b)(6)@omb.eop.gov'; Mahaffie, Lynn;(b)(6)@omb.eop.gov';(b)(6)@omb.eop.gov'
Cc: Allred, Victoria L.
Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

Brian

-----Original Appointment-----
From: Hoblitzell, Barbara
Sent: Monday, August 17, 2015 3:17 PM
To: Hoblitzell, Barbara; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros;(b)(6)@omb.eop.gov'; Mahaffie, Lynn;(b)(6)@omb.eop.gov';(b)(6)@omb.eop.gov'
Cc: Allred, Victoria L.
Subject: REPAYE: Capitalization Discussion
When: Tuesday, August 25, 2015 10:30 AM-11:30 AM (UTC-05:00) Eastern Time (US & Canada).
Where:(b)(6)leader(b)(6)

From: Smith, Brian
Sent: 24 Aug 2015 19:17:09 +0000
To: Utz, Jon
Cc: Foss, Ian
Subject: RE: REPAYE: Capitalization Discussion

Hi Jon,

I'm sorry that you won't be able to attend the meeting, tomorrow.

(b)(5)

Brian

From: Utz, Jon
Sent: Monday, August 24, 2015 2:10 PM
To: Smith, Brian
Cc: Foss, Ian
Subject: RE: REPAYE: Capitalization Discussion

Brian,

(b)(6) was going to call in to the meeting today. However, I won't be available for the rescheduled meeting tomorrow.

Jon

From: Smith, Brian
Sent: 8/24/2015 12:46
To: Hoblitzell, Barbara; O'Brien, Erin
Cc: Allred, Victoria L.; Utz, Jon; Appel, Jeff; Sydor, Katherine; O'Brien, Erin; Weisman, Annmarie; Mahaffie, Lynn; Chesley, Susan; Hales, Anthony; Foss, Ian; Siegel, Brian
Subject: RE: REPAYE: Capitalization Discussion

If we schedule the meeting for tomorrow, the earlier in the day the better.

We'll need time to write up the policy decision from this meeting, prior to putting the REPAYE final into internal clearance on Wednesday.

Brian

-----Original Message-----
From: Hoblitzell, Barbara
Sent: Monday, August 24, 2015 12:37 PM

To: O'Brien, Erin
Cc: Allred, Victoria L.; Smith, Brian; Utz, Jon; Appel, Jeff; Sydor, Katherine
Subject: Re: REPAYE: Capitalization Discussion

Sure- I'll reschedule. Is the 'read ahead' something you're office has prepared, or ???

Sent from my iPhone

> On Aug 24, 2015, at 11:59 AM, O'Brien, Erin (b)(6) @omb.eop.gov> wrote:
>
> Barbara - Victoria and I now have a conflict at this time. Is there a later time that works, or maybe tomorrow between 10 and 12 or 3 to 5?
>
> Also, Victoria mentioned there would be a read ahead to explain the issue, which would be very helpful. Thanks again.
>
> -----Original Appointment-----
> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> Sent: Monday, August 17, 2015 3:17 PM
> To: Hoblitzell, Barbara; O'Brien, Erin; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
> Subject: FW: REPAYE: Capitalization Discussion
> When: Monday, August 24, 2015 2:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
> Where: (b)(6) [leader (b)(6)
>
>
>
>
> -----Original Appointment-----
> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> Sent: Monday, August 17, 2015 3:17 PM
> To: Hoblitzell, Barbara; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
> Subject: REPAYE: Capitalization Discussion
> When: Monday, August 24, 2015 2:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
> Where: (b)(6) [leader (b)(6)
>
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>
>

From: Smith, Brian
Sent: 24 Aug 2015 19:06:53 +0000
To: Hoblitzell, Barbara;Hales, Anthony;Siegel, Brian;Weisman, Annmarie;Utz, Jon;Foss, Ian;Chesley, Susan;Appel, Jeff;Sydor, Katherine;Masiuk, Libby;McCann, Clare;Protopsaltis, Spiros;(b)(6)@omb.eop.gov';Mahaffie, Lynn;(b)(6)@omb.eop.gov';(b)(6)@omb.eop.gov'
Cc: Allred, Victoria L.
Subject: RE: REPAYE: Capitalization Discussion
Attachments: PFH and Capitalization.doc

(b)(5)

Brian

-----Original Appointment-----
From: Hoblitzell, Barbara
Sent: Monday, August 17, 2015 3:17 PM
To: Hoblitzell, Barbara; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6)@omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov';(b)(6)@omb.eop.gov'
Cc: Allred, Victoria L.
Subject: REPAYE: Capitalization Discussion
When: Tuesday, August 25, 2015 10:30 AM-11:30 AM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) [leader (b)(6)]

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Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2461

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2462

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Hoblitzell, Barbara
Sent: 24 Aug 2015 16:59:26 +0000
To: Smith, Brian
Cc: O'Brien, Erin;Allred, Victoria L.;Utz, Jon;Appel, Jeff;Sydor, Katherine;Weisman, Annmarie;Mahaffie, Lynn;Chesley, Susan;Hales, Anthony;Foss, Ian;Siegel, Brian
Subject: Re: REPAYE: Capitalization Discussion

Absolutely!

Sent from my iPhone

> On Aug 24, 2015, at 12:46 PM, Smith, Brian <Brian.Smith@ed.gov> wrote:
>
> If we schedule the meeting for tomorrow, the earlier in the day the better.
>
(b)(5)
>
> Brian
>
> -----Original Message-----
> From: Hoblitzell, Barbara
> Sent: Monday, August 24, 2015 12:37 PM
> To: O'Brien, Erin
> Cc: Allred, Victoria L.; Smith, Brian; Utz, Jon; Appel, Jeff; Sydor, Katherine
> Subject: Re: REPAYE: Capitalization Discussion
>
> Sure- I'll reschedule. Is the 'read ahead' something you're office has prepared, or ???
>
> Sent from my iPhone
>
>> On Aug 24, 2015, at 11:59 AM, O'Brien, Erin <(b)(6)@omb.eop.gov> wrote:
>>
>> Barbara - Victoria and I now have a conflict at this time. Is there a later time that works, or maybe tomorrow between 10 and 12 or 3 to 5?
>>
>> Also, Victoria mentioned there would be a read ahead to explain the issue, which would be very helpful. Thanks again.
>>
>> -----Original Appointment-----
>> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
>> Sent: Monday, August 17, 2015 3:17 PM
>> To: Hoblitzell, Barbara; O'Brien, Erin; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6)@omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov'; (b)(6)@omb.eop.gov'
>> Subject: FW: REPAYE: Capitalization Discussion
>> When: Monday, August 24, 2015 2:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
>> Where: (b)(6) [leader (b)(6)
>>
>>
>>
>>
>> -----Original Appointment-----

>> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
>> Sent: Monday, August 17, 2015 3:17 PM
>> To: Hoblitzell, Barbara; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6) @omb.eop.gov'; Mahaffie, Lynn; (b)(6) @omb.eop.gov'; (b)(6) @omb.eop.gov'
>> Subject: REPAYE: Capitalization Discussion
>> When: Monday, August 24, 2015 2:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
>> Where: (b)(6) [leader (b)(6)
>>
>>
>>
>>
>>
>> <winmail.dat>

From: Chesley, Susan
Sent: 26 Aug 2015 13:15:16 +0000
To: O'Brien, Erin;Smith, Brian;Allred, Victoria L.;Hoblitzell, Barbara;Hales, Anthony;Siegel, Brian;Weisman, Annmarie;Utz, Jon;Foss, Ian;Appel, Jeff;Sydor, Katherine;Masiuk, Libby;McCann, Clare;Protopsaltis, Spiros;(b)(6)@omb.eop.gov';Mahaffie, Lynn;(b)(6)@omb.eop.gov';(b)(6)@omb.eop.gov'
Cc: Simpson, Daniel
Subject: RE: REPAYE: Capitalization Discussion

Erin,

(b)(5)

Thank you,
Susan

From: Chesley, Susan
Sent: Monday, August 24, 2015 5:20 PM
To: 'O'Brien, Erin'; Smith, Brian; Allred, Victoria L.; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6)@omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov'; (b)(6)@omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

Erin,

(b)(5)

(b)(5) Please let me know if you have any questions.

Thank you,
Susan

From: O'Brien, Erin [mailto:(b)(6)@omb.eop.gov]
Sent: Monday, August 24, 2015 3:42 PM
To: Smith, Brian; Allred, Victoria L.; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6)@omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov'; (b)(6)@omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

Thanks, Brian. (b)(5)

(b)(5)

From: Smith, Brian [mailto:Brian.Smith@ed.gov]
Sent: Monday, August 24, 2015 3:33 PM
To: Allred, Victoria L.; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6)@omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov'; (b)(6)@omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

Victoria,

(b)(5)

Brian

From: Allred, Victoria L. [mailto:(b)(6)@omb.eop.gov]
Sent: Monday, August 24, 2015 3:17 PM
To: Smith, Brian; Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6)@omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov'; (b)(6)@omb.eop.gov'
Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

Thanks,
Victoria

From: Smith, Brian [mailto:Brian.Smith@ed.gov]
Sent: Monday, August 24, 2015 3:07 PM
To: Hoblitzell, Barbara; Hales, Anthony; Siegel, Brian; Weisman, Annmarie; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6)@omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov'; (b)(6)@omb.eop.gov'
Cc: Allred, Victoria L.
Subject: RE: REPAYE: Capitalization Discussion

(b)(5)

Brian

-----Original Appointment-----
From: Hoblitzell, Barbara
Sent: Monday, August 17, 2015 3:17 PM
To: Hoblitzell, Barbara; Weisman, Annmarie; Smith, Brian; Utz, Jon; Foss, Ian; Chesley, Susan; Appel, Jeff; Sydor, Katherine; Masiuk, Libby; McCann, Clare; Protopsaltis, Spiros; (b)(6)omb.eop.gov'; Mahaffie, Lynn; (b)(6)@omb.eop.gov'; (b)(6)@omb.eop.gov'
Cc: Allred, Victoria L.
Subject: REPAYE: Capitalization Discussion
When: Tuesday, August 25, 2015 10:30 AM-11:30 AM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) [leader (b)(6)]

From: Smith, Brian
Sent: 3 Sep 2015 15:58:08 +0000
To: Utz, Jon
Cc: Hoblitzell, Barbara;Weisman, Annmarie;Foss, Ian
Subject: RE: REPAYE Capitalization.

Thank you, Jon.

(b)(5)

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 11:36 AM
To: Smith, Brian
Cc: Hoblitzell, Barbara; Weisman, Annmarie; Foss, Ian
Subject: RE: REPAYE Capitalization.

Brian,

(b)(5)

Jon

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 9:28 AM
To: Utz, Jon
Cc: Hoblitzell, Barbara; Weisman, Annmarie
Subject: RE: REPAYE Capitalization.

Great! That will make it easier for me to describe the reg changes after you've put them in.

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 9:19 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Yes, I'm planning to use track changes.

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 9:18 AM
To: Utz, Jon
Subject: RE: REPAYE Capitalization.

Thanks, Jon.

(b)(5)

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 9:13 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Brian,

Yes, (b)(5)

(b)(5)

Jon

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 8:56 AM
To: Utz, Jon
Subject: RE: REPAYE Capitalization.

Hi Jon,

(b)(5)

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 8:46 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Brian,

(b)(5)

Jon

-----Original Message-----
From: Hoblitzell, Barbara
Sent: Wednesday, September 02, 2015 7:40 PM
To: O'Brien, Erin
Cc: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Smith, Brian; Siegel, Brian; Utz, Jon; Foss, Ian; Appel, Jeff; Mais, Joseph
Subject: Re: REPAYE Capitalization.

Thank you, Erin!

> On Sep 2, 2015, at 6:46 PM, O'Brien, Erin <(b)(6)@omb.eop.gov> wrote:
>
> Heard back. We are OK with the change. Thanks for raising.
>
> ----- Original Message -----
> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> Sent: Wednesday, September 02, 2015 05:40 PM
> To: O'Brien, Erin
> Subject: Re: REPAYE Capitalization.
>
> Thank you!
>
>
>> On Sep 2, 2015, at 5:39 PM, O'Brien, Erin <(b)(6)@omb.eop.gov> wrote:
>>
(b)(5)
>>
>> -----Original Message-----
>> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
>> Sent: Wednesday, September 02, 2015 5:20 PM
>> To: O'Brien, Erin <(b)(6)@omb.eop.gov>
>> Subject: REPAYE Capitalization.
>>
>> Hi, Erin.
>>
>> Any news on the decision? Would it be helpful to have a short call tomorrow?
>>
>> b.

From: Utz, Jon
Sent: 3 Sep 2015 15:36:05 +0000
To: Smith, Brian
Cc: Hoblitzell, Barbara;Weisman, Annmarie;Foss, Ian
Subject: RE: REPAYE Capitalization.
Attachments: Redlined amendatory showing removal of PFH_20150903.docx

Brian,

(b)(5)

Jon

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 9:28 AM
To: Utz, Jon
Cc: Hoblitzell, Barbara; Weisman, Annmarie
Subject: RE: REPAYE Capitalization.

Great! That will make it easier for me to describe the reg changes after you've put them in.

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 9:19 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Yes, I'm planning to use track changes.

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 9:18 AM
To: Utz, Jon
Subject: RE: REPAYE Capitalization.

Thanks, Jon.

(b)(5)

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 9:13 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Brian,

(b)(5)

Jon

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 8:56 AM
To: Utz, Jon
Subject: RE: REPAYE Capitalization.

Hi Jon,

(b)(5)

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 8:46 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Brian,

(b)(5)

Jon

-----Original Message-----
From: Hoblitzell, Barbara
Sent: Wednesday, September 02, 2015 7:40 PM
To: O'Brien, Erin
Cc: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Smith, Brian; Siegel, Brian; Utz, Jon; Foss, Ian; Appel, Jeff; Mais, Joseph
Subject: Re: REPAYE Capitalization.

Thank you, Erin!

> On Sep 2, 2015, at 6:46 PM, O'Brien, Erin (b)(6) @omb.eop.gov> wrote:
>

> Heard back. We are OK with the change. Thanks for raising.
>
> ----- Original Message -----
> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> Sent: Wednesday, September 02, 2015 05:40 PM
> To: O'Brien, Erin
> Subject: Re: REPAYE Capitalization.
>
> Thank you!
>
>
>> On Sep 2, 2015, at 5:39 PM, O'Brien, Erin <(b)(6)@omb.eop.gov> wrote:
>>
(b)(5)

>>
>> -----Original Message-----
>> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
>> Sent: Wednesday, September 02, 2015 5:20 PM
>> To: O'Brien, Erin <(b)(6)@omb.eop.gov>
>> Subject: REPAYE Capitalization.
>>
>> Hi, Erin.
>>
>> Any news on the decision? Would it be helpful to have a short call tomorrow?
>>
>> b.

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2474

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2475

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Page 2476

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of the Freedom of Information and Privacy Act

Page 2477

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of the Freedom of Information and Privacy Act

Withheld pursuant to exemption

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of the Freedom of Information and Privacy Act

Withheld pursuant to exemption

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of the Freedom of Information and Privacy Act

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Withheld pursuant to exemption

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of the Freedom of Information and Privacy Act

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

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of the Freedom of Information and Privacy Act

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(b)(5)

of the Freedom of Information and Privacy Act

Page 2484

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2485

Withheld pursuant to exemption

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of the Freedom of Information and Privacy Act

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of the Freedom of Information and Privacy Act

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of the Freedom of Information and Privacy Act

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of the Freedom of Information and Privacy Act

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of the Freedom of Information and Privacy Act

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of the Freedom of Information and Privacy Act

Page 2498

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

From: Chesley, Susan
Sent: 3 Sep 2015 15:30:17 +0000
To: Foss, Ian;Utz, Jon;Hoblitzell, Barbara
Cc: Smith, Brian;Weisman, Annmarie
Subject: RE: REPAYE Capitalization.

(b)(5)

From: Foss, Ian
Sent: Thursday, September 03, 2015 10:59 AM
To: Chesley, Susan; Utz, Jon; Hoblitzell, Barbara
Cc: Smith, Brian; Weisman, Annmarie
Subject: Re: REPAYE Capitalization.

(b)(5)

From: "Chesley, Susan"
Date: Thursday, September 3, 2015 at 10:50
To: Ian Foss, "Utz, Jon", "Hoblitzell, Barbara"
Cc: "Smith, Brian", "Weisman, Annmarie"
Subject: RE: REPAYE Capitalization.

(b)(5) I will let you know.

From: Foss, Ian
Sent: Thursday, September 03, 2015 10:42 AM
To: Chesley, Susan; Utz, Jon; Hoblitzell, Barbara
Cc: Smith, Brian; Weisman, Annmarie
Subject: Re: REPAYE Capitalization.

(b)(5)

From: "Chesley, Susan"
Date: Thursday, September 3, 2015 at 10:37
To: "Utz, Jon", "Hoblitzell, Barbara"
Cc: "Smith, Brian", "Weisman, Annmarie", Ian Foss
Subject: RE: REPAYE Capitalization.

You are correct, (b)(5)

(b)(5)

(b)(5)

From: Utz, Jon
Sent: Thursday, September 03, 2015 10:18 AM
To: Hoblitzell, Barbara; Chesley, Susan
Cc: Smith, Brian; Weisman, Annmarie; Foss, Ian
Subject: RE: REPAYE Capitalization.

Based on an earlier email from OMB, (b)(5)

(b)(5)

From: Hoblitzell, Barbara
Sent: Thursday, September 03, 2015 10:03 AM
To: Chesley, Susan
Cc: Utz, Jon; Smith, Brian; Weisman, Annmarie; Foss, Ian
Subject: Re: REPAYE Capitalization.

(b)(5)

On Sep 3, 2015, at 9:52 AM, Chesley, Susan <Susan.Chesley@ed.gov> wrote:

(b)(5)

From: Hoblitzell, Barbara
Sent: Wednesday, September 02, 2015 7:41 PM
To: Chesley, Susan; Hales, Anthony
Cc: McLarnon, Gail; Weisman, Annmarie; Smith, Brian
Subject: Fwd: REPAYE Capitalization.

So sorry! In my excitement I omitted you from the following email...

Begin forwarded message:

From: "Hoblitzell, Barbara" <Barbara.Hoblitzell@ed.gov>
Date: September 2, 2015 at 7:39:47 PM EDT
To: "O'Brien, Erin" <(b)(6)@omb.eop.gov>
Cc: "Mahaffie, Lynn" <Lynn.Mahaffie@ed.gov>, "McLarnon, Gail" <Gail.McLarnon@ed.gov>, "Weisman, Annmarie" <Annmarie.Weisman@ed.gov>, "Smith, Brian"

<Brian.Smith@ed.gov>, "Siegel, Brian" <Brian.Siegel@ed.gov>, "Utz, Jon" <Jon.Utz@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Appel, Jeff" <Jeff.Appel@ed.gov>, "Mais, Joseph" <Joseph.Mais@ed.gov>
Subject: Re: REPAYE Capitalization.

Thank you, Erin!

On Sep 2, 2015, at 6:46 PM, O'Brien, Erin (b)(6) @omb.eop.gov> wrote:

(b)(5)

----- Original Message -----

From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]

Sent: Wednesday, September 02, 2015 05:40 PM

To: O'Brien, Erin

Subject: Re: REPAYE Capitalization.

Thank you!

On Sep 2, 2015, at 5:39 PM, O'Brien, Erin (b)(6) @omb.eop.gov> wrote:

(b)(5)

Thanks for your patience.

-----Original Message-----

From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]

Sent: Wednesday, September 02, 2015 5:20 PM

To: O'Brien, Erin (b)(6) @omb.eop.gov>

Subject: REPAYE Capitalization.

Hi, Erin.

Any news on the decision? Would it be helpful to have a short call tomorrow?

b.

From: Chesley, Susan
Sent: 3 Sep 2015 14:43:00 +0000
To: Utz, Jon;Hoblitzell, Barbara
Cc: Smith, Brian;Weisman, Annmarie;Foss, Ian
Subject: RE: REPAYE Capitalization.

(b)(5)

From: Chesley, Susan
Sent: Thursday, September 03, 2015 10:38 AM
To: Utz, Jon; Hoblitzell, Barbara
Cc: Smith, Brian; Weisman, Annmarie; Foss, Ian
Subject: RE: REPAYE Capitalization.

You are correct, (b)(5)

(b)(5)

From: Utz, Jon
Sent: Thursday, September 03, 2015 10:18 AM
To: Hoblitzell, Barbara; Chesley, Susan
Cc: Smith, Brian; Weisman, Annmarie; Foss, Ian
Subject: RE: REPAYE Capitalization.

(b)(5)

From: Hoblitzell, Barbara
Sent: Thursday, September 03, 2015 10:03 AM
To: Chesley, Susan
Cc: Utz, Jon; Smith, Brian; Weisman, Annmarie; Foss, Ian
Subject: Re: REPAYE Capitalization.

I'm looping in others, (b)(5)

(b)(5)

On Sep 3, 2015, at 9:52 AM, Chesley, Susan <Susan.Chesley@ed.gov> wrote:

(b)(5)

From: Hoblitzell, Barbara
Sent: Wednesday, September 02, 2015 7:41 PM
To: Chesley, Susan; Hales, Anthony
Cc: McLarnon, Gail; Weisman, Annmarie; Smith, Brian
Subject: Fwd: REPAYE Capitalization.

So sorry! In my excitement I omitted you from the following email...

Begin forwarded message:

> **From:** "Hoblitzell, Barbara" <Barbara.Hoblitzell@ed.gov>
> **Date:** September 2, 2015 at 7:39:47 PM EDT
> **To:** "O'Brien, Erin" <(b)(6) @omb.eop.gov>
> **Cc:** "Mahaffie, Lynn" <Lynn.Mahaffie@ed.gov>, "McLarnon, Gail" <Gail.McLarnon@ed.gov>, "Weisman, Annmarie" <Annmarie.Weisman@ed.gov>, "Smith, Brian" <Brian.Smith@ed.gov>, "Siegel, Brian" <Brian.Siegel@ed.gov>, "Utz, Jon" <Jon.Utz@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Appel, Jeff" <Jeff.Appel@ed.gov>, "Mais, Joseph" <Joseph.Mais@ed.gov>
> **Subject: Re: REPAYE Capitalization.**
>
> Thank you, Erin!
>
> On Sep 2, 2015, at 6:46 PM, O'Brien, Erin <(b)(6) @omb.eop.gov> wrote:
>
> > Heard back. We are OK with the change. Thanks for raising.
> >
> > ----- Original Message -----
> >
> > From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> >
> > Sent: Wednesday, September 02, 2015 05:40 PM
> >
> > To: O'Brien, Erin
> >
> > Subject: Re: REPAYE Capitalization.
> >
> > Thank you!
> >
> > > On Sep 2, 2015, at 5:39 PM, O'Brien, Erin <(b)(6) @omb.eop.gov> wrote:
> > >
> > > (b)(5)

(b)(5)

Thanks for your patience.

-----Original Message-----

From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]

Sent: Wednesday, September 02, 2015 5:20 PM

To: O'Brien, Erin (b)(6) @omb.eop.gov>

Subject: REPAYE Capitalization.

Hi, Erin.

Any news on the decision? Would it be helpful to have a short call tomorrow?

b.

From: Ian Foss
Sent: 3 Sep 2015 10:23:10 -0400
To: Utz, Jon;Chesley, Susan;Hoblitzell, Barbara
Cc: Smith, Brian;Weisman, Annmarie
Subject: Re: REPAYE Capitalization.

(b)(5)

From: "Utz, Jon"
Date: Thursday, September 3, 2015 at 10:22
To: "Chesley, Susan", "Hoblitzell, Barbara"
Cc: "Smith, Brian", "Weisman, Annmarie", Ian Foss
Subject: RE: REPAYE Capitalization.

(b)(5)

From: Chesley, Susan
Sent: Thursday, September 03, 2015 10:17 AM
To: Hoblitzell, Barbara
Cc: Utz, Jon; Smith, Brian; Weisman, Annmarie; Foss, Ian
Subject: RE: REPAYE Capitalization.

Yes, that is true. One question – (b)(5)

(b)(5)

From: Hoblitzell, Barbara
Sent: Thursday, September 03, 2015 10:03 AM
To: Chesley, Susan
Cc: Utz, Jon; Smith, Brian; Weisman, Annmarie; Foss, Ian
Subject: Re: REPAYE Capitalization.

I'm looping in others, (b)(5)

(b)(5)

On Sep 3, 2015, at 9:52 AM, Chesley, Susan <Susan.Chesley@ed.gov> wrote:

(b)(5)

From: Hoblitzell, Barbara
Sent: Wednesday, September 02, 2015 7:41 PM
To: Chesley, Susan; Hales, Anthony
Cc: McLarnon, Gail; Weisman, Annmarie; Smith, Brian
Subject: Fwd: REPAYE Capitalization.

So sorry! In my excitement I omitted you from the following email...

Begin forwarded message:

From: "Hoblitzell, Barbara" <Barbara.Hoblitzell@ed.gov>
Date: September 2, 2015 at 7:39:47 PM EDT
To: "O'Brien, Erin" (b)(6) @omb.eop.gov>
Cc: "Mahaffie, Lynn" <Lynn.Mahaffie@ed.gov>, "McLarnon, Gail" <Gail.McLarnon@ed.gov>, "Weisman, Annmarie" <Annmarie.Weisman@ed.gov>, "Smith, Brian" <Brian.Smith@ed.gov>, "Siegel, Brian" <Brian.Siegel@ed.gov>, "Utz, Jon" <Jon.Utz@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Appel, Jeff" <Jeff.Appel@ed.gov>, "Mais, Joseph" <Joseph.Mais@ed.gov>
Subject: Re: REPAYE Capitalization.

Thank you, Erin!

On Sep 2, 2015, at 6:46 PM, O'Brien, Erin (b)(6) @omb.eop.gov> wrote:

> Heard back. We are OK with the change. Thanks for raising.
>
> ----- Original Message -----
>
> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
>
> Sent: Wednesday, September 02, 2015 05:40 PM
>
> To: O'Brien, Erin
>
> Subject: Re: REPAYE Capitalization.
>
> Thank you!
>
> > On Sep 2, 2015, at 5:39 PM, O'Brien, Erin (b)(6) @omb.eop.gov> wrote:
> >
> > (b)(5)
> >
> > Thanks for your patience.
> >
> > -----Original Message-----
> >
> > From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> >
> > Sent: Wednesday, September 02, 2015 5:20 PM

To: O'Brien, Erin
(b)(6) @omb.eop.gov>

Subject: REPAYE Capitalization.

Hi, Erin.

Any news on the decision? Would it be helpful to have a short call tomorrow?

b.

From: Bubel, Susan
Sent: 3 Sep 2015 13:47:04 +0000
To: Battle, Cynthia;Foss, Ian;Chialastri, Taneka;Jackson, Lateata
Subject: RE: REPAYE Capitalization.

The servicers only have 1hour 15 min left to get their questions/ topics in, so it may be just a quick meeting for removing the cap.

From: Battle, Cynthia
Sent: Thursday, September 03, 2015 9:30 AM
To: Bubel, Susan; Foss, Ian; Chialastri, Taneka; Jackson, Lateata
Subject: RE: REPAYE Capitalization.

I actually don't think we need a lot of extra time to discuss before the meeting. So, hopefully, Ian and I can grab lunch before the 1:00 ☺

From: Bubel, Susan
Sent: Thursday, September 03, 2015 9:27 AM
To: Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Jackson, Lateata
Subject: RE: REPAYE Capitalization.

Ok I can move it .

From: Foss, Ian
Sent: Thursday, September 03, 2015 9:27 AM
To: Bubel, Susan; Battle, Cynthia; Chialastri, Taneka; Jackson, Lateata
Subject: Re: REPAYE Capitalization.

If we extend it to an hour, I would need it to start at 11:30 instead of noon. But, I'm happy to talk with you all for an additional 30 minutes today.

From: "Bubel, Susan"
Date: Thursday, September 3, 2015 at 09:25
To: Ian Foss, "Battle, Cynthia", "Chialastri, Taneka", "Jackson, Lateata"
Subject: RE: REPAYE Capitalization.

Should I extend the 12 to an hour and we can talk about this and prep?

From: Foss, Ian
Sent: Wednesday, September 02, 2015 8:56 PM
To: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Jackson, Lateata
Subject: Fwd: REPAYE Capitalization.

See below. (b)(5)

(b)(5)

Let's talk first thing tomorrow.

Begin forwarded message:

> **From:** "Appel, Jeff" <Jeff.Appel@ed.gov>
> **Date:** September 2, 2015 at 19:41:12 EDT
> **To:** "Hoblitzell, Barbara" <Barbara.Hoblitzell@ed.gov>, "O'Brien, Erin" (b)(6) @omb.eop.gov>
> **Cc:** "Mahaffie, Lynn" <Lynn.Mahaffie@ed.gov>, "McLarnon, Gail" <Gail.McLarnon@ed.gov>, "Weisman, Annmarie" <Annmarie.Weisman@ed.gov>, "Smith, Brian" <Brian.Smith@ed.gov>, "Siegel, Brian" <Brian.Siegel@ed.gov>, "Utz, Jon" <Jon.Utz@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Mais, Joseph"

<Joseph.Mais@ed.gov>
Subject: RE: REPAYE Capitalization.

Yes. Thank you! That's great.

From: Hoblitzell, Barbara
Sent: 9/2/2015 7:39 PM
To: O'Brien, Erin
Cc: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Smith, Brian; Siegel, Brian; Utz, Jon; Foss, Ian; Appel, Jeff; Mais, Joseph
Subject: Re: REPAYE Capitalization.

Thank you, Erin!

> On Sep 2, 2015, at 6:46 PM, O'Brien, Erin <(b)(6)@omb.eop.gov> wrote:
>
> Heard back. We are OK with the change. Thanks for raising.
>
> ----- Original Message -----
> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> Sent: Wednesday, September 02, 2015 05:40 PM
> To: O'Brien, Erin
> Subject: Re: REPAYE Capitalization.
>
> Thank you!
>
>
>> On Sep 2, 2015, at 5:39 PM, O'Brien, Erin <(b)(6)@omb.eop.gov> wrote:
>>
(b)(5)
(b)(5) Thanks for your patience.
>>
>> -----Original Message-----
>> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
>> Sent: Wednesday, September 02, 2015 5:20 PM
>> To: O'Brien, Erin <(b)(6)@omb.eop.gov>
>> Subject: REPAYE Capitalization.
>>
>> Hi, Erin.
>>
>> Any news on the decision? Would it be helpful to have a short call tomorrow?
>>
>> b.

From: Hoblitzell, Barbara
Sent: 3 Sep 2015 13:31:53 +0000
To: Utz, Jon;Smith, Brian
Cc: Weisman, Annmarie;Foss, Ian
Subject: RE: REPAYE Capitalization.

Thanks, Jon!

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 9:31 AM
To: Hoblitzell, Barbara; Smith, Brian
Cc: Weisman, Annmarie; Foss, Ian
Subject: RE: REPAYE Capitalization.

(b)(5)

-----Original Message-----
From: Hoblitzell, Barbara
Sent: Thursday, September 03, 2015 9:30 AM
To: Smith, Brian; Utz, Jon
Cc: Weisman, Annmarie
Subject: RE: REPAYE Capitalization.

(b)(5)

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 9:28 AM
To: Utz, Jon
Cc: Hoblitzell, Barbara; Weisman, Annmarie
Subject: RE: REPAYE Capitalization.

Great! That will make it easier for me to describe the reg changes after you've put them in.

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 9:19 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Yes, I'm planning to use track changes.

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 9:18 AM
To: Utz, Jon
Subject: RE: REPAYE Capitalization.

Thanks, Jon.

(b)(5)

(b)(5)

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 9:13 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Brian,

(b)(5)

Jon

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 8:56 AM
To: Utz, Jon
Subject: RE: REPAYE Capitalization.

Hi Jon,

(b)(5)

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 8:46 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Brian,

(b)(5)

Jon

-----Original Message-----
From: Hoblitzell, Barbara
Sent: Wednesday, September 02, 2015 7:40 PM
To: O'Brien, Erin
Cc: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Smith, Brian; Siegel, Brian; Utz, Jon; Foss,

Ian; Appel, Jeff; Mais, Joseph
Subject: Re: REPAYE Capitalization.

Thank you, Erin!

> On Sep 2, 2015, at 6:46 PM, O'Brien, Erin <(b)(6)@omb.eop.gov> wrote:
>
> Heard back. We are OK with the change. Thanks for raising.
>
> ----- Original Message -----
> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> Sent: Wednesday, September 02, 2015 05:40 PM
> To: O'Brien, Erin
> Subject: Re: REPAYE Capitalization.
>
> Thank you!
>
>
>> On Sep 2, 2015, at 5:39 PM, O'Brien, Erin (b)(6)@omb.eop.gov> wrote:
>>
(b)(5)
(b)(5) Thanks for your patience.
>>
>> -----Original Message-----
>> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
>> Sent: Wednesday, September 02, 2015 5:20 PM
>> To: O'Brien, Erin (b)(6)@omb.eop.gov>
>> Subject: REPAYE Capitalization.
>>
>> Hi, Erin.
>>
>> Any news on the decision? Would it be helpful to have a short call tomorrow?
>>
>> b.

From: Ian Foss
Sent: 3 Sep 2015 08:42:13 -0400
To: Chialastri, Taneka;Battle, Cynthia;Bubel, Susan;Jackson, Lateata
Subject: Re: REPAYE Capitalization.

(b)(5)

From: "Chialastri, Taneka"
Date: Thursday, September 3, 2015 at 08:40
To: Ian Foss, "Battle, Cynthia", "Bubel, Susan", "Jackson, Lateata"
Subject: RE: REPAYE Capitalization.

(b)(5)

Taneka

From: Foss, Ian
Sent: Wednesday, September 02, 2015 8:56 PM
To: Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Jackson, Lateata
Subject: Fwd: REPAYE Capitalization.

See below. (b)(5)

(b)(5)

Begin forwarded message:

From: "Appel, Jeff" <Jeff.Appel@ed.gov>
Date: September 2, 2015 at 19:41:12 EDT
To: "Hoblitzell, Barbara" <Barbara.Hoblitzell@ed.gov>, "O'Brien, Erin" (b)(6) @omb.eop.gov>
Cc: "Mahaffie, Lynn" <Lynn.Mahaffie@ed.gov>, "McLarnon, Gail" <Gail.McLarnon@ed.gov>, "Weisman, Annmarie" <Annmarie.Weisman@ed.gov>, "Smith, Brian" <Brian.Smith@ed.gov>, "Siegel, Brian" <Brian.Siegel@ed.gov>, "Utz, Jon" <Jon.Utz@ed.gov>, "Foss, Ian" <Ian.Foss@ed.gov>, "Mais, Joseph" <Joseph.Mais@ed.gov>
Subject: RE: REPAYE Capitalization.

Yes. Thank you! That's great.

From: Hoblitzell, Barbara
Sent: 9/2/2015 7:39 PM
To: O'Brien, Erin
Cc: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Smith, Brian; Siegel, Brian; Utz,

Jon; Foss, Ian; Appel, Jeff; Mais, Joseph
Subject: Re: REPAYE Capitalization.

Thank you, Erin!

> On Sep 2, 2015, at 6:46 PM, O'Brien, Erin <(b)(6)@omb.eop.gov> wrote:
>
> Heard back. We are OK with the change. Thanks for raising.
>
> ----- Original Message -----
> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> Sent: Wednesday, September 02, 2015 05:40 PM
> To: O'Brien, Erin
> Subject: Re: REPAYE Capitalization.
>
> Thank you!
>
>
>> On Sep 2, 2015, at 5:39 PM, O'Brien, Erin <(b)(6)@omb.eop.gov> wrote:
>>
(b)(5)
(b)(5) Thanks for your patience.
>>
>> -----Original Message-----
>> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
>> Sent: Wednesday, September 02, 2015 5:20 PM
>> To: O'Brien, Erin (b)(6)@omb.eop.gov>
>> Subject: REPAYE Capitalization.
>>
>> Hi, Erin.
>>
>> Any news on the decision? Would it be helpful to have a short call tomorrow?
>>
>> b.

From: Smith, Brian
Sent: 3 Sep 2015 18:28:51 +0000
To: Utz, Jon
Cc: Hoblitzell, Barbara;Weisman, Annmarie;Foss, Ian
Subject: RE: REPAYE Capitalization.

Thank you, Jon.

(b)(5)

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 2:22 PM
To: Smith, Brian
Cc: Hoblitzell, Barbara; Weisman, Annmarie; Foss, Ian
Subject: RE: REPAYE Capitalization.

Brian,

(b)(5)

Jon

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 11:36 AM
To: Smith, Brian
Cc: Hoblitzell, Barbara; Weisman, Annmarie; Foss, Ian
Subject: RE: REPAYE Capitalization.

Brian,

(b)(5)

Jon

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 9:28 AM
To: Utz, Jon
Cc: Hoblitzell, Barbara; Weisman, Annmarie

Subject: RE: REPAYE Capitalization.

Great! That will make it easier for me to describe the reg changes after you've put them in.

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 9:19 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Yes, I'm planning to use track changes.

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 9:18 AM
To: Utz, Jon
Subject: RE: REPAYE Capitalization.

Thanks, Jon.

(b)(5)

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 9:13 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Brian,

(b)(5)

Jon

-----Original Message-----
From: Smith, Brian
Sent: Thursday, September 03, 2015 8:56 AM
To: Utz, Jon
Subject: RE: REPAYE Capitalization.

Hi Jon,

(b)(5)

(b)(5)

Brian

-----Original Message-----
From: Utz, Jon
Sent: Thursday, September 03, 2015 8:46 AM
To: Smith, Brian
Subject: RE: REPAYE Capitalization.

Brian,

(b)(5)

Jon

-----Original Message-----
From: Hoblitzell, Barbara
Sent: Wednesday, September 02, 2015 7:40 PM
To: O'Brien, Erin
Cc: Mahaffie, Lynn; McLarnon, Gail; Weisman, Annmarie; Smith, Brian; Siegel, Brian; Utz, Jon; Foss, Ian; Appel, Jeff; Mais, Joseph
Subject: Re: REPAYE Capitalization.

Thank you, Erin!

> On Sep 2, 2015, at 6:46 PM, O'Brien, Erin (b)(6)@omb.eop.gov> wrote:
>
> Heard back. We are OK with the change. Thanks for raising.
>
> ----- Original Message -----
> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
> Sent: Wednesday, September 02, 2015 05:40 PM
> To: O'Brien, Erin
> Subject: Re: REPAYE Capitalization.
>
> Thank you!
>
>
>> On Sep 2, 2015, at 5:39 PM, O'Brien, Erin (b)(6)@omb.eop.gov> wrote:
>>
(b)(5)

(b)(5) Thanks for your patience.
>>
>> -----Original Message-----
>> From: Hoblitzell, Barbara [mailto:Barbara.Hoblitzell@ed.gov]
>> Sent: Wednesday, September 02, 2015 5:20 PM
>> To: O'Brien, Erin (b)(6)@omb.eop.gov>
>> Subject: REPAYE Capitalization.
>>
>> Hi, Erin.
>>
>> Any news on the decision? Would it be helpful to have a short call tomorrow?

>>
>> b.

From: Utz, Jon
Sent: 8 Nov 2016 21:22:01 +0000
To: Carpenter, Mike
Cc: Foss, Ian
Subject: RE: REPAYE Questions

Mike,

See below for responses to Patrick's questions.

Jon

From: Carpenter, Mike
Sent: Thursday, November 03, 2016 12:08 PM
To: Utz, Jon
Subject: FW: REPAYE Questions

Hi Jon. Here are some questions from Patrick. Next week would be fine for your responses. Thanks again and enjoy your weekend.

Mike Carpenter|LBJ Room 5W310|202-453-7288|mic<6:8><

From: Patrick.O'Brien4@treasury.gov [mailto:Patrick.O'Brien4@treasury.gov]
Sent: Thursday, November 03, 2016 11:38 AM
To: Carpenter, Mike; Perkins, Hillary
Cc: Heidi.Kaczowka@treasury.gov
Subject: REPAYE Questions

Hi Mike,

(b)(5)

(b)(5)

Thanks,

Patrick O'Brien
Office of Credit Modeling and Analysis
U.S. Department of the Treasury
1722 I St NW
Washington, DC 20006
Phone: (410) 279-2708
patrick.o'brien4@treasury.gov

From: Bubel, Susan
Sent: 13 Feb 2015 12:01:33 -0600
To: Foss, Ian
Subject: RE: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
Attachments: RE: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)

Here you go. I sent it yesterday afternoon

<< OLE Object: Picture (Device Independent Bitmap) >>

From: Foss, Ian
Sent: Friday, February 13, 2015 12:56 PM
To: Bubel, Susan
Subject: RE: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)

Is there one document I should be looking at for this meeting? If so, I can't seem to find it…help!

-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, February 10, 2015 3:18 PM
To: Porter, Larry; Meadows, Kim; Jackson, Lateata; Battle, Cynthia; Foss, Ian
Subject: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
When: Friday, February 13, 2015 1:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) Code: (b)(6) (62D7 is booked for those of you that will be onsite in UCP)

All,

(b)(5)

If you are unable to attend, please let me know if you have comments/ suggestions or questions on the documents when you receive them.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov<mailto:susan.bubel@ed.gov> << OLE Object: Picture (Device Independent Bitmap) >>

From: Bubel, Susan
Sent: 12 Feb 2015 16:46:25 +0000
To: Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim;Jackson, Lateata
Subject: RE: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
Attachments: CR2785 Q&A_V02.xlsx

(b)(5)

Please let me know if you have any questions or comments.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, February 10, 2015 3:18 PM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
When: Friday, February 13, 2015 1:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) Code: (b)(6) (62D7 is booked for those of you that will be onsite in UCP)

All,

(b)(5)

If you are unable to attend, please let me know if you have comments/ suggestions or questions on the documents when you receive them.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid

830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: Bubel, Susan
Sent: 12 Feb 2015 10:46:25 -0600
To: Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim;Jackson, Lateata
Subject: RE: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
Attachments: CR2785 Q&A_V02.xlsx

All as promised, here is the updated Q&A log. (I believe the questions/ scenarios have stopped coming in) Please review the entire log, but during our meeting tomorrow I would like to focus on the items in red font and the scenario tabs.

I am moving on to the updated Job Aid and will get that to you all by then end of the day.

Please let me know if you have any questions or comments.<< OLE Object: Picture (Device Independent Bitmap) >>

Thanks,

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-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, February 10, 2015 3:18 PM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
When: Friday, February 13, 2015 1:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) Code: (b)(6) (62D7 is booked for those of you that will be onsite in UCP)

All,

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If you are unable to attend, please let me know if you have comments/ suggestions or questions on the documents when you receive them.

Thanks,

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From: Bubel, Susan
Sent: 16 Feb 2015 20:25:16 -0600
To: Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim;Jackson, Lateata
Subject: RE: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
Attachments: 2785.zip

Here are the updated documents.

Please let me know if you have any questions or comments.

Thanks,

Sue

-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, February 10, 2015 3:18 PM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
When: Friday, February 13, 2015 1:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) Code: (b)(6) (62D7 is booked for those of you that will be onsite in UCP)

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Department of Education
Federal Student Aid

Capitalization

Job Aid

2/16/2015

U.S. Department of Education

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From: Bubel, Susan
Sent: 17 Feb 2015 12:59:38 -0600
To: Jackson, Lateata;Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim
Subject: RE: Review of final draft of Q& A responses and Job Aid updates for CR 2785 (Capping)
Attachments: CR 2785_ 021715.zip

Here you go. Please let me know if you think anything else needs adjusting.

Thanks,

Sue

From: Jackson, Lateata
Sent: Tuesday, February 17, 2015 12:52 PM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim
Subject: RE: Review of final draft of Q& A responses and Job Aid updates for CR 2785 (Capping)

Sue,

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<< File: CR_2785 Revised__01262015.docx >>

From: Bubel, Susan
Sent: Monday, February 16, 2015 9:25 PM
To: Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: RE: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)

Here are the updated documents.

Please let me know if you have any << File: 2785.zip >> questions or comments.

Thanks,

Sue

-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, February 10, 2015 3:18 PM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
When: Friday, February 13, 2015 1:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) Code: (b)(6) (62D7 is booked for those of you that will be onsite in UCP)

All,

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If you are unable to attend, please let me know if you have comments/ suggestions or questions on the documents when you receive them.

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From: Bubel, Susan
Sent: 17 Feb 2015 11:58:47 -0600
To: Jackson, Lateata;Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim
Subject: RE: Review of final draft of Q& A responses and Job Aid updates for CR 2785 (Capping)

I can make the updates now and get back to you ASAP, but I have not heard back on the date.

From: Jackson, Lateata
Sent: Tuesday, February 17, 2015 12:52 PM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim
Subject: RE: Review of final draft of Q& A responses and Job Aid updates for CR 2785 (Capping)

Sue,

(b)(5)

<< File: CR_2785 Revised__01262015.docx >>

From: Bubel, Susan
Sent: Monday, February 16, 2015 9:25 PM
To: Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: RE: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)

Here are the updated documents.

Please let me know if you have any << File: 2785.zip >> questions or comments.

Thanks,

Sue

-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, February 10, 2015 3:18 PM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
When: Friday, February 13, 2015 1:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) Code: (b)(6) (62D7 is booked for those of you that will be onsite in UCP)

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P: (202) 377-4389 | susan.bubel@ed.gov

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From: Jackson, Lateata
Sent: 17 Feb 2015 11:51:43 -0600
To: Bubel, Susan;Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim
Subject: RE: Review of final draft of Q& A responses and Job Aid updates for CR 2785 (Capping)
Attachments: CR_2785 Revised__01262015.docx

Sue,

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Do you think I can get these today to give the contractors time to submit assessments by 2/25?

From: Bubel, Susan
Sent: Monday, February 16, 2015 9:25 PM
To: Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: RE: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)

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Please let me know if you have any << File: 2785.zip >> questions or comments.

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To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
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Business Operations Change Request Form

Send all Change Request Forms to POCChangeRequest@ed.gov

Administrative Information

Service Area Validation for Submission: Completed: ☒ **Defer:** ☐ **ID:** 2785
Requestor: Cindy Battle **Date Drafted:** 09.02.14
CR Title: 1492 Requirement Clarification **Date Received:** 9/2/14 / 01/22/2015
BA: La Teata Jackson **Anticipated Implementation Date:** NLT March 2, 2015

FSA Service/System/Area Impacted

☒ Title IV Servicers (TIVAS)	☐ Ancillary Services	☐ Call Centers
☒ Not-for-Profits (NFPs)	☐ COD	☐ FMS
☐ PSLF	☐ NSLDS	☐ Security Architecture
☐ TEACH	☐ ADM/FPDM	☐ EAI
☐ TPD	☐ CPS	☐ PEPS/IPM
☐ Perkins	☐ EDExpress	☐ SAIG
☐ DMCS/DMCS2	☐ eCampus-Based	☐ AIMS
☐ DLCS	☐ Participation Management	☐ **Other:** _____

☒ **Notification Only: NSLDS**

Reason for Change (Business Need):

Background:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

Description of Change Requested (Requirements):

This CR has been modified to:

- ***Remove compliance/non-compliance check boxes***
- ***Require Impact Assessments from all contractors***
- ***Add requirements for Never Ever Capitalizing***
- ***Provide a Job Aid to answer questions and provide scenarios***

Servicer Requirements:

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with an effective date of July 31.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) Plan, the borrower’s monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively

	amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations. NOTE: FSA notes some servicers are likely to state that "their system complies", but they have business rules that exclude from capitalization that which accrued on a prior servicer's system; please note that this condition is not acceptable compliance and will require change.
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**
5066.01	This requirement overrides any other capitalization requirement.
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).

5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**

5072.01	When payments are applied to interest amounts they shall be prorated among Neg Am and Regular interest based on their interest balances
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

Additional Information (All <u>OPERATIONAL</u> impacts must be assessed):

Capitalization References:
685.202
(b) Capitalization. (1) The Secretary may add unpaid accrued interest to the borrower's unpaid principal balance. This increase in the principal balance of a loan is called ''capitalization.''

(3) Notwithstanding § 685.208(l)(5) and § 685.209(d)(3), for a Direct Loan not eligible for interest subsidies during periods of deferment, and for all Direct Loans during periods of forbearance, the Secretary capitalizes the unpaid interest that has accrued on the loan upon the expiration of the deferment or forbearance.

(4) Except as provided in paragraph (b)(3) of this section and in § 685.208(l)(5), and § 685.209(d)(3), the Secretary annually capitalizes unpaid interest when the borrower is paying under the alternative or income contingent repayment plans and the borrower's scheduled payments do not cover the interest that has accrued on the loan.

685.209
(5) Limitation on capitalization of interest.
If the amount of a borrower's monthly payment is less than the accrued interest, the unpaid interest is capitalized until the outstanding principal amount is ten percent greater than the original principal amount. After the outstanding principal amount is ten percent greater than the original amount, interest continues to accrue but is not capitalized. For purposes of this paragraph, the original amount is the amount owed by the borrower when the borrower enters repayment.

685.211(f)(11)

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)? (THIS FIELD IS REQUIRED)
X No ☐ Yes

IST Anticipation (THIS FIELD AND DATE ARE REQUIRED):
X No ☐ Yes; Anticipated Date(s):

Post-Implementation Validation (THIS FIELD IS REQUIRED):
☐ No X Yes

Validation (REQUIRED FOR SERVICERS ONLY):

Requirement ID	Requirement	Validation Artifact(s)	Due Date
5065.00	The servicer shall capitalize all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance period.	FSA will supply each servicer with a set of up to 20 test total scenarios to demonstrate these requirements.	2/9/2015
5070.00	Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance		2/9/2015
5071.00	Interest accrued while loan is in a non-capping forbearance shall never capitalize		2/9/2015
5072.00	Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment		2/9/2015

From: Jackson, Lateata
Sent: 17 Feb 2015 15:47:42 -0600
To: Bubel, Susan;Foss, Ian;Battle, Cynthia;Porter, Larry;Meadows, Kim
Subject: RE: Review of final draft of Q& A responses and Job Aid updates for CR 2785 (Capping)
Attachments: CR 2785 PACKAGE 02172015.ZIP

Alright,

The attached has been sent out through FSA Contracts. Assessments are due back on 2/25/2015. I will set up an assessment review for 2/27/2015.

From: Bubel, Susan
Sent: Tuesday, February 17, 2015 2:00 PM
To: Jackson, Lateata; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim
Subject: RE: Review of final draft of Q& A responses and Job Aid updates for CR 2785 (Capping)

Here you go. Please let me know if you think anything else needs adjusting.

Thanks,

<< File: CR 2785_ 021715.zip >>

Sue

From: Jackson, Lateata
Sent: Tuesday, February 17, 2015 12:52 PM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim
Subject: RE: Review of final draft of Q& A responses and Job Aid updates for CR 2785 (Capping)

Sue,

(b)(5)

Do you think I can get these today to give the contractors time to submit assessments by 2/25?
<< File: CR_2785 Revised__01262015.docx >>

From: Bubel, Susan
Sent: Monday, February 16, 2015 9:25 PM
To: Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: RE: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)

Here are the updated documents.

Please let me know if you have any << File: 2785.zip >> questions or comments.

Thanks,

Sue

-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, February 10, 2015 3:18 PM
To: Bubel, Susan; Foss, Ian; Battle, Cynthia; Porter, Larry; Meadows, Kim; Jackson, Lateata
Subject: Review of final draft of Q& A respnses and Job Aid updates for CR 2785 (Capping)
When: Friday, February 13, 2015 1:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: (b)(6) Code: (b)(6) (62D7 is booked for those of you that will be onsite in UCP)

All,

(b)(5)

If you are unable to attend, please let me know if you have comments/ suggestions or questions on the documents when you receive them.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

<< OLE Object: Picture (Device Independent Bitmap) >>

Department of Education
Federal Student Aid

Capitalization

Job Aid

2/16/2015

U.S. Department of Education

Department of Education
Federal Student Aid
Department of Education
Federal Student Aid
Department of Education
Federal Student Aid
Department of Education
Federal Student Aid

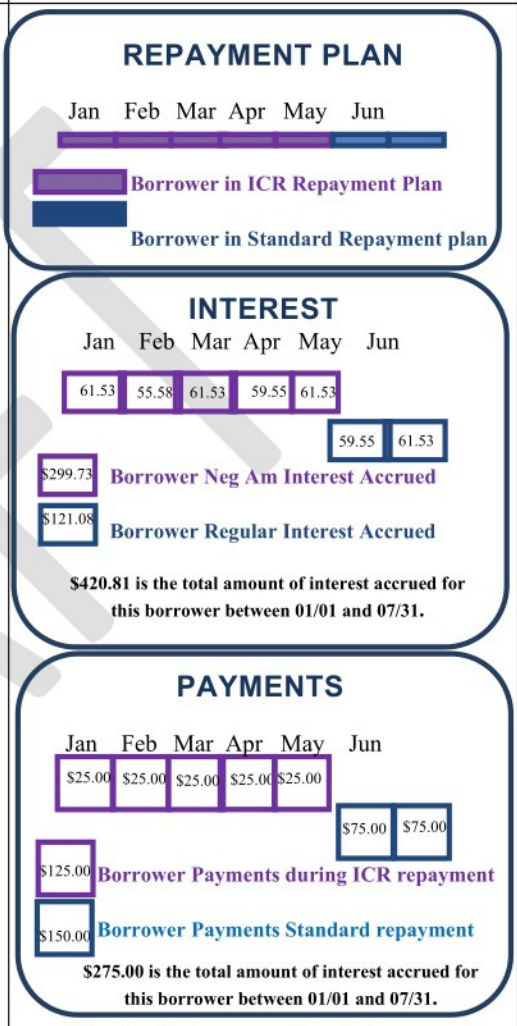
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When to Capitalize?

Example #1 Neg Am When Changing Repayment Plans

Req#	What do I do if (scenario)	How it works	Diagram
5023	What if a borrower changes from their ***Negative Amortization*** (Neg Am) repayment plan (ICR or Alternative) to another repayment plan that does not accrue negatively? ***Negative Amortization*** is when the borrower accrues more interest in a month then their monthly payment amount.	Borrower began ICR 01/01/14 and changed their repayment plan to standard on 05/31/14 any Neg Am interest accrued between 01/01 and 05/31 would be capped if not paid by the 07/31/14 annual Neg Am capping date. For Example: Prin Balance: $10,000.00 Interest Rate: 7.25% Per Diem : 1.98 Monthly Payment: $25.00 On 05/31/14 the borrower has $199.73 in their negative am bucket. Their new payment amount is $75.00 The borrower is notified the of their potential Neg Am cap of $ 99.73. On July 31 the borrower has made five $25 and two $75 payments so the Neg Am bucket still has $24.73 remaining which will be capitalized.	 **Neg Am Int – payments = to be capped** **299.73 – 275.00 = 24.73**

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Here is the example in a table format.

Date	PBO	# Days	RATE	Action	$ Amount	Neg Am Int	Regular Int	Total Outstanding Interest
1/31/2014	$ 10,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 61.53		$ 61.53
1/31/2014	$ 10,000.00	0		Payment	$ (25.00)	$ 36.53		$ 36.53
2/28/2014	$ 10,000.00	28	7.25%	Interest Accrual	$ 55.58	$ 92.11		$ 92.11
2/28/2014	$ 10,000.00	0		Payment	$ (25.00)	$ 67.11		$ 67.77
3/31/2014	$ 10,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 128.64		$ 128.64
3/31/2014	$ 10,000.00	0		Payment	$ (25.00)	$ 103.64		$ 103.64
4/30/2014	$ 10,000.00	30	7.25%	Interest Accrual	$ 59.55	$ 163.19		$ 163.19
4/30/2014	$ 10,000.00	0		Payment	$ (25.00)	$ 138.19		$ 138.19
5/31/2014	$ 10,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 199.73		$ 199.73
5/31/2014	$ 10,000.00	0		Payment	$ (25.00)	$ 174.73		$ 174.43
6/30/2014	$ 10,000.00	30	7.25%	Interest Accrual	$ 59.55	$ 174.73	$ 59.55	$ 234.27
6/30/2014	$ 10,000.00			Payment	$ (75.00)	$ 99.73	$ 59.55	$ 159.27
7/31/2014	$ 10,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 99.73	$ 121.08	$ 220.81
7/31/2014	$ 10,000.00			Payment	$ (75.00)	$ 24.73	$ 121.08	$ 145.81
8/1/2014	$ 10,024.73			Neg Am Cap	$ 24.73	$ -	$ 0.15	$ 121.23

Notice that the interest accrues the same way but is categorized as Neg Am or Regular.

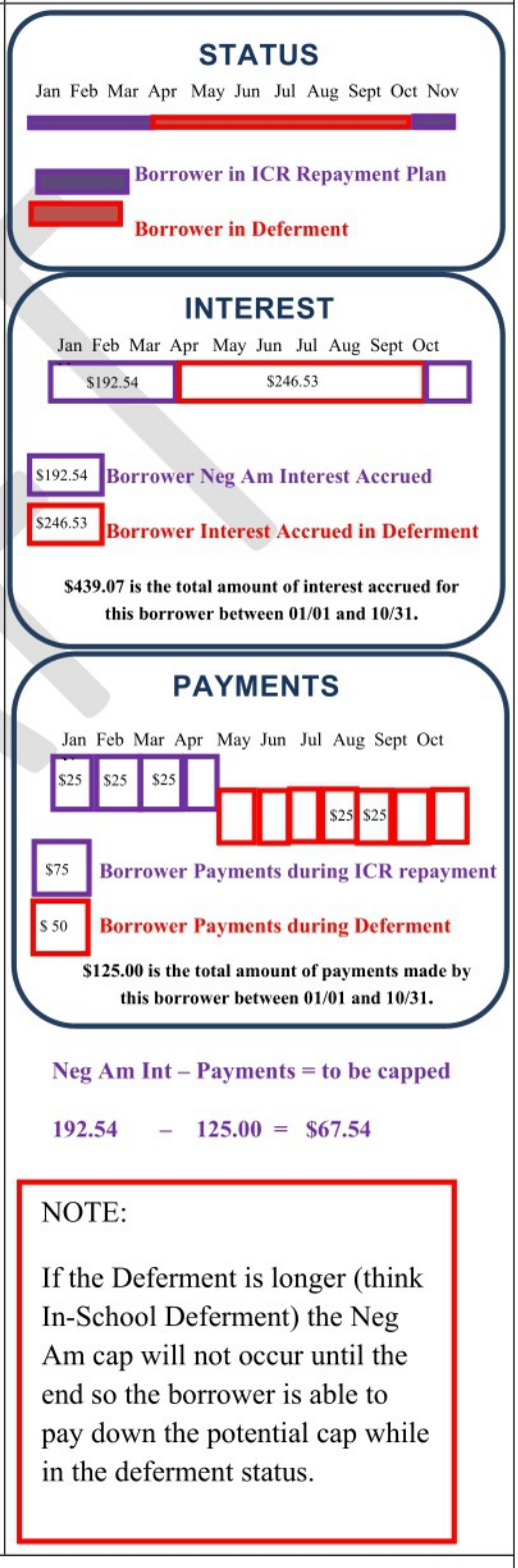
The running total of Outstanding Interest is the total of all categories of unpaid/uncapitalized interest.

Also notice that after the capping event on 08/01, the Neg Am interest category is brought to zero.

Keep in mind that the cap is effective back to 06/30/14 (additional $24.73 @7.25% for 31 days = .15additional interest.)

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Example #2 Neg Am When Deferment or Forbearance is in Effect 07/31

Req#	What do I do if (scenario)	How it works	Diagram
5023	What if a borrower is in a ***Negative Amortization*** (Neg Am) repayment plan (ICR or Alternative) and has an entitlement in place (Deferment or Forbearance) during the annual capping event (July 31st)? NOTE: Neg Am caps should always be effective as of **06/30**. Notification of the potential cap should be sent to the borrower even if they are in a deferment to allow them the opportunity to pay the Neg Am interest prior to the actual capping event. The effective date of 06/30 implies that the cap should be applied to your system to reflect it is including all Neg Am interest accrued through and including June 30th. The amount can be reduced by payments made between 07/01 – 07/31(or the later capping date if account is in a deferment or forbearance.)	Borrower began ICR 01/01/14 and then requested a deferment to be applied from 04/08/14 to 10/31/14. The Neg Am interest that accrued from would capitalize on 11/01/14 if unpaid with an effective date back to 06/30/14. For Example: Prin Balance: $10,000.00 (Sub $4000 Unsub $6000) Interest Rate: 7.25% Per Diem : 1.98 Monthly Payment: $25.00 A deferment is processed on the borrower's account effective 04/08/14 – 10/31/14 The borrower is notified of their potential Neg Am cap of $ 117.54. The borrower makes a total of five $25 payments. Three prior to the deferment and two $25.00 payments during the deferment. One on 08/14 and another on 09/14. On October 31 the Neg Am bucket still has $97.28 remaining which will be capitalized. In addition the $247.52unsub interest will cap because of the end of the deferment. The borrower will begin accruing Neg Am again on 11/01.	 **Neg Am Int – Payments = to be capped** **192.54 – 125.00 = $67.54** NOTE: If the Deferment is longer (think In-School Deferment) the Neg Am cap will not occur until the end so the borrower is able to pay down the potential cap while in the deferment status.

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Here is the example in a table format.

Notice that the interest accrues the same way but is categorized as Neg Am or Regular.

Date	PBO	Sub	Unsub	# Days	RATE	Action	$ Amount	Neg Am Int	Regular Int	Total Outstanding Interest
1/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 61.53		$ 61.53
1/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 36.53		$ 36.53
2/28/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	28	7.25%	Interest Accrual	$ 55.58	$ 92.11		$ 92.11
2/28/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 67.11		$ 67.77
3/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 128.64		$ 128.64
3/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 103.64		$ 103.64
4/7/2017	$ 10,000.00	$ 4,000.00	$ 6,000.00	7	7.25%	Interest Accrual	$ 13.89	$ 117.54		$ 117.54
4/8/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Deferment Begins	$ -	$ 117.54		$ 117.54
6/30/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		**Neg Am Potential Cap**	**$ 117.54**	$ 117.54		$ 117.54
6/30/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	84	7.25%	Interest Accrual	$ 100.04	$ 117.54	$ 100.04	$ 217.58
8/14/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	45	7.25%	Interest Accrual	$ 53.59	$ 117.54	$ 153.63	$ 271.17
8/14/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 92.54	$ 153.63	$ 246.17
9/14/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual	$ 36.92	$ 92.54	$ 190.55	$ 283.09
9/14/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 67.54	$ 190.55	$ 258.09
10/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Deferment Ends	$ -	$ 67.54	$ 190.55	$ 258.09
10/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	47	7.25%	Interest Accrual	$ 55.98	$ 67.54	$ 246.53	$ 314.07
11/1/2014	**$ 10,067.54**	**$ 4,027.02**	**$ 6,040.52**	0		**Neg Am Cap**	**$ 67.54**	$ -	**$ 0.99**	$ 247.52
11/1/2014	**$ 10,315.06**	**$ 4,027.02**	**$ 6,288.04**	**0**		**Deferment End Cap**	**$ 247.52**	$ -	$ -	$ -

Remember that during a Deferment interest continues to accrue as regular interest on the Unsubsidized loans.

The running total of Outstanding Interest is the total of all categories of unpaid/uncapitalized interest.

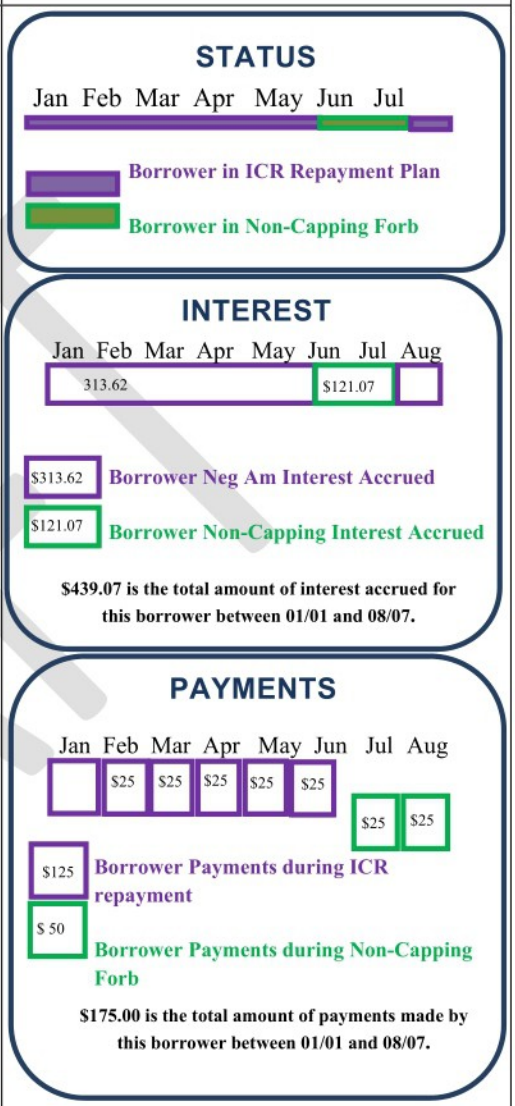
Also notice that after the capping events on 11/01, both the Neg Am and regular interest categories are brought to zero.

Be sure that the Deferment Cap applies only to the unsub loan and not prorated across both sub and unsub.

Keep in mind that the cap is effective back to 06/30/14
(additional $40.52 was added to the unsub balance @7.25% for 123 days = .$.99 additional interest.)

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Example #3 Neg Am When Non-Capping Forbearance in Effect on 07/31

Req#	What do I do if (scenario)	How it works	Diagram
5023	What if a borrower is in a ***Negative Amortization*** (Neg Am) repayment plan (ICR or Alternative) and has non capping forbearance during the annual capping event (July 31st)? NOTE: Neg Am caps should always be effective as of **06/30**. Notification of the potential cap should be sent to the borrower even if they are in a deferment to allow them the opportunity to pay the Neg Am interest prior to the actual capping event. The effective date of 06/30 implies that the cap should be applied to your system to reflect it is including all Neg Am interest accrued through and including June 30th. The amount can be reduced by payments made between 07/01 – 07/31(or the later capping date if account is in a deferment or forbearance.)	Borrower began ICR 01/01/14 and then a national disaster struck (Hurricane) and a non-capping forb was applied to the account from June until August. The borrower's annual Neg Am cap event will be postponed until the end of the forbearance. For Example: Prin Balance: $10,000.00 Interest Rate: 7.25% Per Diem : 1.98 Monthly Payment: $25.00 A non-capping forbearance is processed on the borrower's account effective 06/07/14 – 08/07/14 The borrower is notified of their potential Neg Am cap of $ 188.62. The borrower continues to make $25.00 payments during the forbearance on 07/07 and 08/07. On August 7th the Neg Am bucket still has $138.62 remaining which will be capitalized. No other interest will cap because of the forbearance was non-capping. The borrower will begin accruing Neg Am again on 08/08. The interest from the non-capping forb will remain in the non- capping "bucket" until paid.	 **Neg Am Int – payments = to be capped** **313.62 – 175.00 = 138.62**

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Here is the example in a table format.

PBO	# Days	RATE	Action	$ Amount	Neg Am Int	Regular Int	Non-Capping Int	Total Outstanding Interest
$ 10,000.00	**0**		**Begin**	**$ -**				
$ 10,000.00	38	7.25%	Interest Accrual	$ 75.43	$ 75.43			$ 75.43
$ 10,000.00	0		Payment	$ (25.00)	$ 50.43			$ 50.43
$ 10,000.00	28	7.25%	Interest Accrual	$ 55.58	$106.01			$ 106.01
$ 10,000.00	0		Payment	$ (25.00)	$ 81.01			$ 67.77
$ 10,000.00	31	7.25%	Interest Accrual	$ 61.53	$142.54			$ 142.54
$ 10,000.00	0		Payment	$ (25.00)	$117.54			$ 117.54
$ 10,000.00	30	7.25%	Interest Accrual	$ 59.55	$177.09			$ 177.09
$ 10,000.00	0		Payment	$ (25.00)	$152.09			$ 152.09
$ 10,000.00	31	7.25%	Interest Accrual	$ 61.53	$213.62			$ 213.62
$ 10,000.00	0		Payment	$ (25.00)	$188.62			$ 188.62
$ 10,000.00	0		Non Capping Forb Begins		$188.62			$ 188.62
$ 10,000.00	23	7.25%	Interest Accrual	$ 45.65	$188.62		$ 45.65	$ 234.27
$ 10,000.00	0		**Neg Am Potential Cap**	**$ 188.62**	$188.62		$ 45.65	$ 234.27
$ 10,000.00	7	7.25%	Interest Accrual	$ 13.89	$188.62		$ 59.55	$ 248.17
$ 10,000.00	0		Payment	$ (25.00)	$163.62		$ 59.55	$ 223.17
$ 10,000.00	31	7.25%	Interest Accrual	$ 61.53	$163.62		$ 121.08	$ 284.70
$ 10,000.00	0		Payment	$ (25.00)	$138.62		$ 121.08	$ 259.70
$ 10,000.00	0		Non Capping Forb Ends	$ -	$138.62		$ 121.08	$ 259.70
$ 10,138.62	0		**Neg Am Cap**	**$ 138.62**	$ -		**$ 1.05**	$ 122.13

Notice that the interest accrues the same way but is categorized as Neg Am or Regular or Non-Capping.

The running total of Outstanding Interest is the total of all categories of unpaid/uncapitalized interest.

Also notice that after the capping event on 08/08, the Neg Am interest category is brought to zero.

Keep in mind that the cap is effective back to 06/30/14
(additional $138.62 was added @7.25% for 38 days = $1.05 additional interest.)

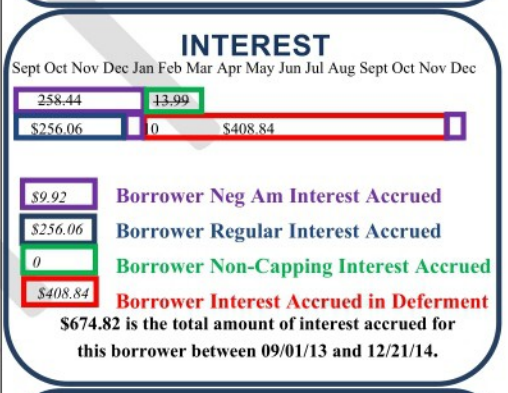
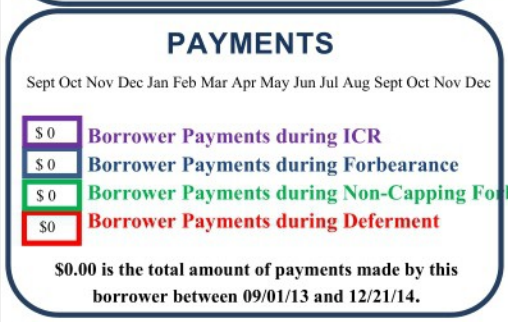
Remember, Non-Capping Forbearances can only be applied for certain situations and for a maximum of 60* days per event. The 60 day non capping forbearance should only be used in the following situations:

- The borrower is waiting for paperwork to be completed.
- The borrower is waiting for a consolidation to complete.
- Transfer forbearance to cure delinquency NOT to REDUCE delinquency, The loan must be between 1 and 59 days delinquent at the time of transfer,

*A Servicer, may when instructed to by FSA, in the case of a natural or national disaster apply the non-capping forbearance *up to 90 days.*

Note: *Neg-Am and Regular Interest are paid before allocating payment to non-capping interest.*

Example #4 Neg Am When Back to Back Deferment &Non-Capping Forbearance in Effect on 07/31

Req#	What do I do if (scenario)	How it works	Diagram
5023	What if a borrower is in a ***Negative Amortization*** (Neg Am) repayment plan (ICR or Alternative) and has back to back, forbearance, non-capping forbearance, and deferment during the annual capping event (July 31st)? NOTE: Neg Am caps should always be effective as of **06/30**. Notification of the potential cap should be sent to the borrower even if they are in a deferment to allow them the opportunity to pay the Neg Am interest prior to the actual capping event. The effective date of 06/30 implies that the cap should be applied to your system to reflect it is including all Neg Am interest accrued through and including June 30th. The amount can be reduced by payments made between 07/01 – 07/31(or the later capping date if account is in a deferment or forbearance.)	Borrower began ICR 9/01/13. The borrower became 4 months delinquent. In January applied for an In School Deferment. While working on processing the deferment paperwork. The borrower then went back to school in January and requested an In-School Deferment from January until December. The borrower's annual Neg Am cap event will be postponed until the end of the deferment. For Example: Prin Balance: $10,000.00 (Sub $4000 Unsub $6000) Interest Rate: 7.25% Per Diem : 1.98 Monthly Payment: $25.00 A regular forbearance is processed on the borrower's account effective 09/07/13 – 12/07/13 A non-capping forbearance is processed on the borrower's account effective 01/07/14 – 02/07/14 while the servicer was processing the deferment paperwork After receiving confirmation of the borrower's in-school status an In-School Deferment is processed on the borrower's account effective 01/05/14 – 12/20/14. The deferment is effective back to January so the Non-Capping Forb is replaced by the Deferment. The regular forb remains to cover the delinquent months. The borrower is notified of their potential Neg Am cap of $ 188.62. On December 21st the Neg Am bucket still has $138.62 remaining which will be capitalized. There is $664.90 interest from the 5 month forbearance and the In-School Deferment that will also cap. In the table it is displayed as two separate transactions, but it can be applied as just one. The borrower will begin accruing Neg Am again on 12/22.	   **Neg Am Int – payments = to be capped** **9.92 – 0 = 9.92**

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Here is the example in a table format.

Date	PBO	Sub	Unsub	# Days	RATE	Action	Effective Dates	$ Amount	Neg Am Int	Regular Int	Non-Capping Int	Total Outstanding Interest
9/1/2013	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Begin		$ -				
10/7/2013	$ 10,000.00	$ 4,000.00	$ 6,000.00	37	7.25%	Interest Accrual		$ 73.44	~~$ 73.44~~	$ 73.44		$ 73.44
11/7/2013	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual		$ 61.53	~~$ 134.98~~	$ 134.98		$ 134.98
12/7/2013	$ 10,000.00	$ 4,000.00	$ 6,000.00	30	7.25%	Interest Accrual		$ 59.55	~~$ 194.52~~	$ 194.52		$ 194.52
1/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual		$ 61.53	~~$ 256.06~~	$ 256.06		$ 256.06
1/12/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	5	7.25%	Interest Accrual		$ 9.92	$ 9.92			$ 265.98
~~1/14/2014~~	~~$ 10,000.00~~	~~$ 4,000.00~~	~~$ 6,000.00~~	~~2~~	~~7.25%~~	~~Interest Accrual~~		~~$ 2.38~~	~~$ 258.44~~	~~$ 2.38~~	~~$ 13.89~~	$ 258.44
1/14/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Apply Admin Forb	09/07/14-01/07/14		$ 9.92			$ 265.98
~~1/14/2014~~	~~$ 10,000.00~~	~~$ 4,000.00~~	~~$ 6,000.00~~	~~0~~		~~Apply Non-Capping Forb~~	~~02/07/14 - 03/07/14~~		$ 9.92			$ 265.98
2/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	26	7.25%	Interest Accrual		$ 30.97	$ 9.92	$ 287.02	~~$ 61.53~~	$ 296.95
2/12/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		(Backdate) In-School Deferment	01/12/14 - 12/21/14		$ 9.92			$ 296.95
3/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	28	7.25%	Interest Accrual		$ 33.35	$ 9.92	$ 320.37		$ 330.29
4/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual		$ 36.92	$ 9.92	$ 357.29		$ 367.21
5/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	30	7.25%	Interest Accrual		$ 35.73	$ 9.92	$ 393.02		$ 402.94
6/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual		$ 36.92	$ 9.92	$ 429.94		$ 439.86
6/30/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	23	7.25%	Interest Accrual		$ 27.39	$ 9.92	$ 457.33		$ 467.26
6/30/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Neg Am Potential Cap		$ 9.92	$ 9.92	$ 457.33		$ 467.26
7/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	7	7.25%	Interest Accrual		$ 8.34	$ 9.92	$ 465.67		$ 475.59
8/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual		$ 36.92	$ 9.92	$ 502.59		$ 512.51
9/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual		$ 36.92	$ 9.92	$ 539.51		$ 549.43
10/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	30	7.25%	Interest Accrual		$ 35.73	$ 9.92	$ 575.24		$ 585.16
11/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual		$ 36.92	$ 9.92	$ 612.16		$ 622.08
12/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	30	7.25%	Interest Accrual		$ 35.73	$ 9.92	$ 647.89		$ 657.81
12/21/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	14	7.25%	Interest Accrual		$ 16.67	$ 9.92	$ 664.56		$ 674.48
12/21/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		In-School Deferment Ends		$ -	$ 9.92	$ 664.56		$ 674.48
12/22/2014	$ 10,009.92	$ 4,003.97	$ 6,005.95	0		Neg Am Cap		$ 9.92	$ -	$ 0.34		$ 664.90
12/22/2014	$ 10,265.98	$ 4,106.39	$ 6,159.59	0		Forbearance Cap		$ 256.06		$ 408.84		$ 408.84
12/22/2014	$ 10,674.82	$ 4,106.39	$ 6,568.43	0		Deferment Cap		$ 408.84	$ -	$ -		$ -

Notice that the interest accrues the same way but is categorized as Neg Am or Regular or Non-Capping.

The running total of Outstanding Interest is the total of all categories of unpaid/un-capitalized interest.

Also notice that after the capping event on 12/22, the Neg Am and regular interest categories are brought to zero. Be sure that the Deferment Cap applies only to the unsub loan and not prorated across both sub and unsub.

Keep in mind that the cap is effective back to 06/30/14
(additional $9.92 was added @7.25% for 174 days = $.34 additional interest.)

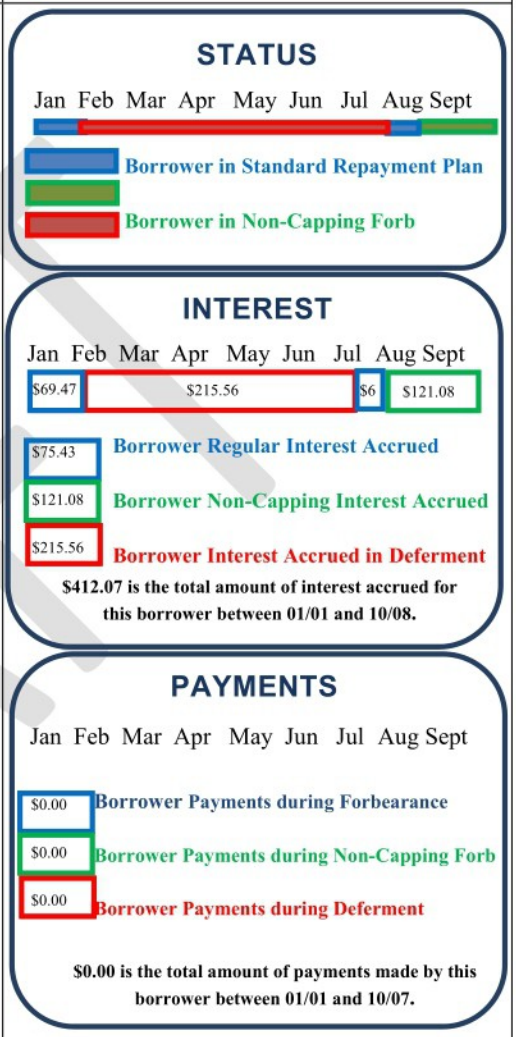
Remember, Non-Capping Forbearances can only be applied for certain situations and for a maximum of 60* days per event. The 60 day non capping forbearance should only be used in the following situations:

- The borrower is waiting for paperwork to be completed.
- The borrower is waiting for a consolidation to complete.
- Transfer forbearance to cure delinquency NOT to REDUCE delinquency, The loan must be between 1 and 59 days delinquent at the time of transfer,

*A Servicer, may when instructed to by FSA, in the case of a natural or national disaster apply the non-capping forbearance *up to 90 days.*

Note: *Neg-Am and Regular Interest are paid before allocating payment to non-capping interest.*

Example #5 When Back to Back Deferment and Non-Capping Forbearance in Applied

Req#	What do I do if (scenario)	How it works	Diagram
5065	What if a borrower is has both subsidized and unsubsized loans and has a Deferment followed by a non-capping forb, does it cap? When and how? Remember, Non-Capping Forbearances can only be applied for certain situations and for a maximum of 60 days. The 60 day non capping forbearance should only be used in the following situations: • The borrower is waiting for paperwork to be completed. • The borrower is waiting for a consolidation to complete. • When instructed to by FSA in the case of a natural or national disaster. • When during a loan transfer the borrower received at the New Servicer is between 1 and 60 days delinquent.	The borrower was in standard repayment and qualified for an Unemployment Deferment. After the deferment expired the borrower requested to change from standard repayment to IDR. A 60 day Non-capping Forb was applied to the borrower's account while the paperwork was being processed for the new repayment plan. For Example: Prin Balance: $10,000.00 (Sub $4000 Unsub $6000) Interest Rate: 7.25% Per Diem : 1.98 Monthly Payment: $125.00 An Unemployment deferment was applied from 02/04/14 – 08/03/14 A non-capping forbearance is processed on the borrower's account effective 08/07/14 – 10/07/14 The "regular" interest that accrued prior to and during the deferment period will capitalize to the appropriate loans on 10/08/14. Interest prior to the deferment can be prorated across the sub and unsub loans. The interest from the deferment period can only be capitalized on the unsub portion. The interest from the non-capping forb is not capitalized and will remain in the non- capping "bucket" until paid.	

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Here is the example in a table format.

Date	PBO	Sub	Unsub	# Days	RATE	Action	$ Amount	Regular Int	Non-Capping Int	Total Outstanding Interest
1/1/2014	**$ 10,000.00**			**0**		**Begin**	**$ -**			
2/4/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	35	7.25%	Interest Accrual	$ 69.47	$ 69.47		$ 69.47
2/4/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Unemployment Deferement Begin	$ -	$ 69.47		$ 69.47
8/4/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	181	7.25%	Interest Accrual	$ 215.56	$ 285.04	$ -	$ 285.04
8/4/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Unemployment Deferement Ends	$ -	$ 285.04	$ -	$ 285.04
8/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	3	7.25%	Interest Accrual	$ 5.95	$ 290.99	$ -	$ 290.99
8/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Non Capping Forb Begins	$ -	$ 290.99	$ -	$ 290.99
10/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	61	7.25%	Interest Accrual	$ 121.08	$ 290.99	$ 121.08	$ 412.07
10/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Non Capping Forb Ends	$ -	$ 290.99	$ 121.08	$ 412.07
10/8/2014	**$ 10,285.04**	**$ 4,027.79**	**$ 6,257.25**	**0**		**Deferment Cap**	**$ 285.04**	**$ 5.95**	**$ 121.08**	**$ 127.04**

Notice that the interest accrues the same way but is categorized as Regular or Non-Capping.

The running total of Outstanding Interest is the total of all categories of unpaid/un-capitalized interest.

Also notice that after the capping event on 10/08, the Regular interest category is **NOT** brought to zero. This is because there was 3 days of regular interest accrued between the end of the Deferment and the beginning of the Non-Capping Forbearance.

Remember, Non-Capping Forbearances can only be applied for certain situations and for a maximum of 60* days per event. The 60 day non capping forbearance should only be used in the following situations:

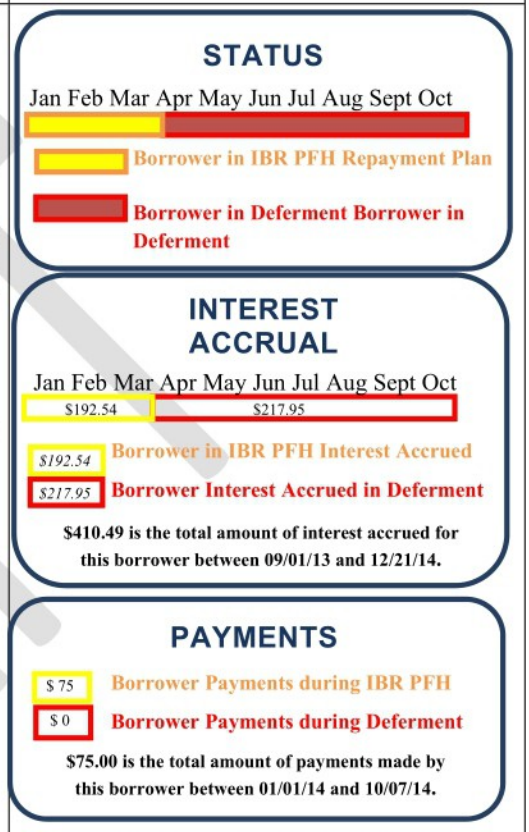
- The borrower is waiting for paperwork to be completed.
- The borrower is waiting for a consolidation to complete.
- Transfer forbearance to cure delinquency NOT to REDUCE delinquency, The loan must be between 1 and 59 days delinquent at the time of transfer,

*A Servicer, may when instructed to by FSA, in the case of a natural or national disaster apply the non-capping forbearance *up to 90 days.*

Note: *Neg-Am and Regular Interest are paid before allocating payment to non-capping interest.*

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Example #6 IBR with PFH and Deferment Capping

Req#	What do I do if (scenario)	How it works	Diagram
5066	What if a borrower is on an Income Based Repayment (IBR) with Personal Financial Hardship (PFH) and receives a deferment. Does the interest cap at the end of the deferment? If not what happens to the interest?	The borrower is in an IBR plan with Personal Financial Hardship and qualifies for an unemployment deferment that begins 04/08 and ends 10/07. Interest that accrues during the deferment is not capped. The only capping that can happen during IBR PFH is Neg Am interest from a previous ICR or Alt Neg Am plan. Other than that there should be no capping until the borrower either loses PFH or leaves the IBR plan.	

Here is the example in a table format.

Date	PBO	Sub	Unsub	# Days	RATE	Action	$ Amount	PFH Int	Deferment Int	Total Outstanding Interest
1/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 61.53		$ 61.53
1/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 36.53		$ 36.53
2/28/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	28	7.25%	Interest Accrual	$ 55.58	$ 92.11		$ 92.11
2/28/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 67.11		$ 67.77
3/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 128.64		$ 128.64
3/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 103.64		$ 103.64
4/7/2017	$ 10,000.00	$ 4,000.00	$ 6,000.00	7	7.25%	Interest Accrual	$ 13.89	$ 117.54		$ 117.54
4/8/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Deferment Begins	$ -	$ 117.54		$ 117.54
10/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Deferment Ends	$ -	$ 117.54		$ 117.54
10/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	183	7.25%	Interest Accrual	$ 217.95	$ 117.54	$ 217.95	$ 335.49

The running total of Outstanding Interest is the total of all categories of unpaid/un-capitalized interest.

Also notice that there is no capping event after the deferment ends. The interest just remains unpaid.

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Example #7 IBR and PFH Ends During Deferment Capping

Req#	What do I do if (scenario)	How it works	Diagram
5066	What if a borrower is on an Income Based Repayment (IBR) with Personal Financial Hardship (PFH) and receives a deferment. The borrower exits PFH while in the deferment. Does the interest cap at the end of the deferment? If not what happens to the interest?	The borrower is in an IBR plan with Personal Financial Hardship and qualifies for an unemployment deferment that begins 04/08 and ends 10/07. The borrower exits PFH on 05/17. Interest that accrued prior to ($192.54) and during the deferment ($217.95) is capped (a total of $335.49)the day after the deferment ends. **Note:** The only capping that can happen during IBR PFH is Neg Am interest from a previous ICR or Alt Neg Am plan. Other than that there should be no capping until the borrower either loses PFH or leaves the IBR plan.	 **Total Interest Accrued – Total Payments** **410.49 – 75.00 = 335.49**

Here is the example in a table format.

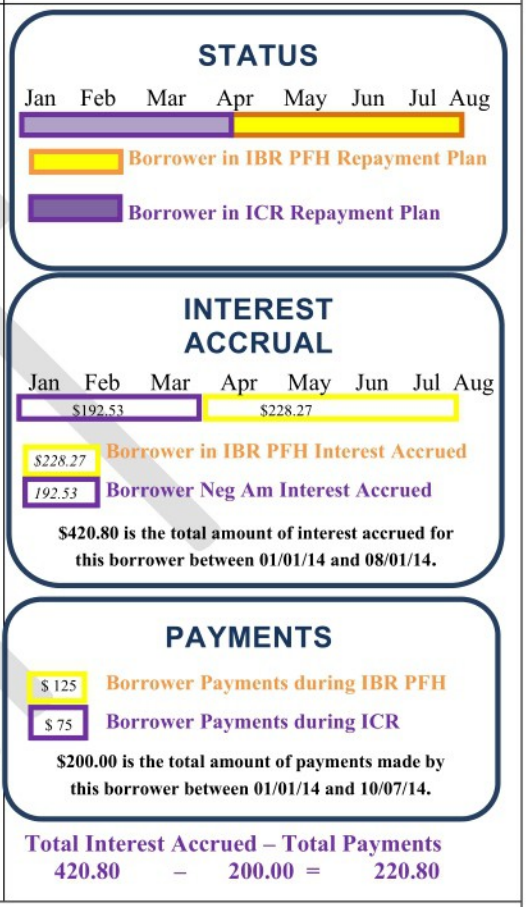
Date	PBO	Sub	Unsub	# Days	RATE	Action	$ Amount	PFH Int	Deferment Int	Total Outstanding Interest
1/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 61.53		$ 61.53
1/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 36.53		$ 36.53
2/28/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	28	7.25%	Interest Accrual	$ 55.58	$ 92.11		$ 92.11
2/28/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 67.11		$ 67.77
3/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 128.64		$ 128.64
3/31/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Payment	$ (25.00)	$ 103.64		$ 103.64
4/7/2017	$ 10,000.00	$ 4,000.00	$ 6,000.00	7	7.25%	Interest Accrual	$ 13.89	$ 117.54		$ 117.54
4/8/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Deferment Begins	$ -	$ 117.54		$ 117.54
5/17/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		PFH ends	$ -	$ 117.54		$ 117.54
5/17/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	40	7.25%	Interest Accrual	$ 47.64	$ 117.54	$ 47.64	$ 165.18
10/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	0		Deferment Ends	$ -	$ 117.54	$ 47.64	$ 165.18
10/7/2014	$ 10,000.00	$ 4,000.00	$ 6,000.00	143	7.25%	Interest Accrual	$ 170.31	$ 117.54	$ 217.95	$ 335.49
10/8/2014	$ 10,335.49	$ 4,047.02	$ 6,288.47	0	7.25%	Deferment Cap	$ 335.49	$ -	$ -	$ -

The running total of Outstanding Interest is the total of all categories of unpaid/un-capitalized interest.

Also notice that after the capping event the interest is brought to zero.

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Example #8 IBR with PFH and Neg Am Capping

Req#	What do I do if (scenario)	How it works	Diagram
5066	What if a borrower is on an Income Contingent Repayment (ICR) payment plan accruing Neg Am, and then changes to Income Based Repayment (IBR) payment plan with Personal Financial Hardship (PFH). Does the Neg Am interest cap at annual Neg Am capping date? If not what happens to the interest?	The borrower is in an ICR plan accruing Neg Am. On 04/08/14 the borrower changes to Income Based Repayment (IBR) with Personal Financial Hardship (PFH). The Neg Am interest ($192.54) that accrued prior to changing to IBR with PFH is **NOT** capped, Once the borrower enters IBR with PFH, the interest is either paid or capped when the borrower either loses PFH or leaves the repayment plan. **Note:** There should be no capping events when a borrower enters IBR with PFH until the borrower either loses PFH or leaves the IBR plan.	

Here is the example in a table format.

Date	PMT PLAN	PBO	# Days	RATE	Action	$ Amount	Neg Am Int	PFH Int	Total Outstanding Interest
1/31/2014	ICR	$10,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 61.53	$ -	$ 61.53
1/31/2014	ICR	$10,000.00	0		Payment	$ (25.00)	$ 36.53	$ -	$ 36.53
2/28/2014	ICR	$10,000.00	28	7.25%	Interest Accrual	$ 55.58	$ 92.11	$ -	$ 92.11
2/28/2014	ICR	$10,000.00	0		Payment	$ (25.00)	$ 67.11	$ -	$ 67.77
3/31/2014	ICR	$10,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 128.64	$ -	$ 128.64
3/31/2014	ICR	$10,000.00	0		Payment	$ (25.00)	$ 103.64	$ -	$ 103.64
4/7/2014	IBR	$10,000.00	7	7.25%	Interest Accrual	$ 13.89	$ 117.54	$ -	$ 117.54
4/8/2014	IBR	$10,000.00	0		Changed to IBR		$ 117.54	$ -	$ 117.54
4/30/2014	IBR	$10,000.00	23	7.25%	Interest Accrual	$ 45.65	$ 117.54	$ 45.65	$ 163.19
4/30/2014	IBR	$10,000.00	0		Payment	$ (25.00)	$ 99.53	$ 38.66	$ 138.19
5/31/2014	IBR	$10,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 99.53	$ 100.19	$ 199.73
5/31/2014	IBR	$10,000.00	0		Payment	$ (25.00)	$ 87.07	$ 87.65	$ 174.73
6/30/2014	IBR	$10,000.00	30	7.25%	Interest Accrual	$ 59.55	$ 87.07	$ 147.20	$ 234.27
6/30/2014	IBR	$10,000.00			Payment	$ (75.00)	$ 59.20	$ 100.08	$ 159.27
7/31/2014	IBR	$10,000.00	31	7.25%	Interest Accrual	$ 61.53	$ 59.20	$ 161.61	$ 220.81
7/31/2014	IBR	$10,000.00			Payment	$ (75.00)	$ 39.09	$ 106.72	$ 145.81

The running total of Outstanding Interest is the total of all categories of unpaid/un-capitalized interest. Notice there is no Neg Am capping event.

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Additional Clarification on the use of Non-Capping Forbearances:

- These should only be used for 60 days (*2 months*) and they should **not** be applied to an account to clear delinquency, EXCEPT when used as transfer forbearance.
- When used as transfer forbearance it can **ONLY** be applied to a loan that is between 1-59 days delinquent at the time of transfer and must bring the borrower current.
- When a Non-Capping Forbearance is used, any interest accrued should be designated as non-capping until paid. The only exception to this is if another transaction is backdated over the non-capping forbearance. (*For example if the servicer applied a 60-day Non- Capping Forbearance while waiting the processing of Deferment paperwork. The begin date of the Deferment is prior to the Non-Capping Forbearance start date. This would call for the Non-Capping Forbearance to be reversed.*)
- The hierarchy of payment application to interest is
    1. Neg Am Interest
    2. Regular Interest
    3. Non-Capping Interest
- Capping with consideration to Income Based Repayment (IBR) and Personal Financial Hardship (PFH)
    - If a borrower enters and exits a deferment or forbearance under a PFH, then no capitalization occurs.
    - If a borrower enters a deferment or forbearance with a PFH and exits that deferment or forbearance after having lost it, interest may capitalize at the end of the deferment or forbearance.
    - If a borrower enters a deferment or forbearance without a PFH, but regains PFH during the deferment or forbearance period, then interest does not capitalize at the end of the deferment or forbearance period.
    - If a borrower enters and exits a deferment or forbearance without a PFH, interest capitalizes at the end of the deferment or forbearance.

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Requirements

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Requirement #	Requirement	User Guide
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**	**Example #1**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a **processing date** of **July 31** and **effective date** of **June 30**.	
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.	
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization processing date until the end of the deferment or forbearance, but the effective date should still be June 30.	**Example # 8**
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.	
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**	
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.	
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**	**Example #6**
5066.01	This requirement overrides any other capitalization requirement.	
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.	
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.	

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5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.	**Example #7**
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**	
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**	
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.	
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).	
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.	
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.	
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.	
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.	
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.	
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.	

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5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**	**Examples # 4 & 5**
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.	
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**	
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**	Examples # 3, 4, & 5
5071.00	Interest accrued while loan is in a non-capping forbearance shall never capitalize.	Examples # 3, 4, & 5
5072.02	Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment.	
5072.01	When payments are applied to interest amounts they shall be applied in the following order: 1. Neg Am Interest 2. Regular Interest 3. Non-Capping Interest	Examples # 3, 4, & 5
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances.	

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Servicer's Q and A

#	Question	Servicer	FSA Response
1	**5023.01 Clarification Example:** As of June 30: Neg Am balance = $150 Principal balance - $1000 During July borrower pays $50 July 31: Neg Am balance = $100 Principal balance = $1000 ***Please confirm*** – At the end of July, Neg Am interest is capitalized and the July balance (7/1) is retroactively recalculated. The resulting Principal balance = $1,100 (7/1) and interest for July is recalculated based on the increased balance.	Nelnet	The remaining Neg Am interest should capitalize July 31st effective as of June 30th Any payments made between June 30th and July 31st should reduce the potential Neg Am cap. Payments are applied to interest first prorating based on balance between regular and neg am interest. Refer to **Example # 1** of the Job Aid
2	**5023.03 Clarification Examples:** ***Clarification example 1:*** Neg Am cap 2014 Borrower in ICR during 2014 Forbearance end: 7/15/14 No payment due between periods Deferment : 8/5/14 – 10/31/14 ***Please confirm*** – Neg Am cap should take	Nelnet	Example #1 : This is correct the Neg Am cap will take place at the end of the deferment. It will be effective back to June 30th Any payments made between June 30th and the actual capping date (in this case 10/31) should reduce the potential neg am cap. Payments are applied to interest first prorating based on balance between regular and neg am interest. . Refer to **Example # 2** of the Job Aid

	place on 11/1/14 and not on 7/31/14 1. No information found in previous Q&A ***Clarification example 2***: Neg Am cap 2014 • Borrower in ICR Ending 3/31/14 • Borrower in IBR PFH 4/1/14 – 3/31/15 • Deferment 6/1/14 – 8/31/14 • Cap for PFH and deferment takes place on 4/1/15 (all interest, excluding Neg Am, is capped) (5066.03) **Please confirm if**: • 2014 Neg Am interest is capped 9/1/14 at the deferment end or • 2014 Neg Am interest is capped 4/1/15 at the end of the PFH period ***Clarification example 3***: Neg Am cap 2014 • Borrower in ICR Ending 3/31/14 • Borrower in IBR PFH 4/1/14 – 3/31/15 • Cap for PFH takes place on 4/1/15 (all interest, excluding Neg Am, is capped) **Please confirm:** • 2014 Neg Am cap is not delayed by PFH and will cap on 7/31/14 2. No information found in previous Q&A This response may be dependent on the		Example #2: Neg Am would cap on 09/01/14 in your example if the borrower did not pay down the amount of Neg Am interest reported to the borrower on 06/30/14. The remainder of the interest would capitalize at the end of PFH 04/01/15. Example #3 The annual Neg AM capping is deferred based on PFH status. Refer to **Example # 8** of the Job Aid Example #4 Please keep in mind the non-capping forbearance should only be applied for up to 60 days. (in this example it was applied for 106 days), but with that aside, if the borrower is in a forbearance/deferment on 07/31 the neg am cap will occur when the forbearance / deferment ends. In this scenario that date would be 08/15/14. Refer to **Example # 4** of the Job Aid

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	response to a question posed for 5065.00 regarding non-capping forbearances ***Clarification example 4:*** • Neg Am outstanding for 2014 • Borrower in Admin Forb awaiting documentation 5/1/14 – 8/14/14 **Please confirm if:** • 2014 Neg Am cap is not delayed and will cap on 7/31/14, or • 2014 Neg Am cap is delayed and will cap on 8/15/14		
3	**5023.04 Clarification example:** • Borrower is in Neg Am situation for 3 months and accrues $150 during this period • Scheduled payment amount is $25 per month • Borrower pays $20 per month **Please confirm:** The correct amount of Neg Am interest to capitalize is $90 ($150 accrued - $60 paid) on July 31.	Nelnet	Yes, any neg am interest accrued from July 1st through June 30th that remains unpaid as of July 31st the following year* should be capitalized effective back to June 30th. *If the borrower is in a Deferment or Forbearance on the annual Neg Am capping date (July 31st) the period the borrower has to pay down the potential Neg Am cap is extended until the end of the entitlement, Refer to **Example # 1** of the Job Aid
4	**5065.00 Clarification example*:*** • Unsubsidized loan • Deferment 1/1/14 – 3/31/14 • Non-capping forbearance 4/5/14 – 5/31/14 (considered back to back because no payments are due) **Please confirm**: • No cap is required at the end of the forbearance on 6/1/14, or • A full cap is required at the end of the	Nelnet	In this scenario a cap of the interest accrued before and during the Deferment would be capitalized on 06/01/14. Refer to **Example # 5** of the Job Aid

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	forbearance on 6/1/14		
5	**5066.04 Clarification Example**: • PAYE PFH ends 3/15/14 • Borrower exits PAYE on 4/1/14 • Deferment 3/16/14 – 5/31/14 • Borrower is no longer on PAYE at the end of the back to back PFH/Deferment period. **Please confirm**: The interest cap for the back to back period should take place on 6/1/14 and IS NOT limited to the 10% maximum	Nelnet	That is correct. Since the borrower is no longer under PFH the interest would capitalize at the end of the deferment. Refer to **Example # 7** of the Job Aid .
6	**5067.00 Clarification Example*:*** • Borrower payment is made on 4/14/14 in the amount of $50 is applied to interest • Deferment cap occurs 4/15/14 in the amount of $100 • Notice is sent to the borrower advising of the cap • On 5/1/14, the borrower payment applied on 4/14/14 is canceled due to NSF. This causes the 4/15/14 cap to adjust/increase from $100 to $150. **Please confirm:** No additional notice needs to be sent to the borrower since they were already advised of the capping event.	Nelnet	Yes this scenario is correct. No additional notification (other than the NSF notification) needs to be sent.
7	**General question**: Which interest should be paid first when a borrower payment is applied? Should it apply to Neg Am and then general Outstanding Borrower Interest?	Nelnet	Yes, the interest should be applied to the Neg Am Interest first, and then Regular interest and finally to the Non-Capping Interest. For your example there is a total of $125

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	There are references to the application of payment **in** Negotiated Rulemaking_2012 Requirements 082812 QandAv2 (i.e. Q28) which confirm that payments should be applied to accrued interest, collection costs, late charges, and then to principal. However, no references were found indicating whether Neg Am interest should be paid before non-Neg Am interest ***Clarification example:*** • Borrower has a total of $100 in outstanding interest. $25 of outstanding interest was accrued during a Neg Am period • Borrower makes a payment of $15 **Please confirm:** • The balance of Neg Am interest should be reduced to $10, or • The balance of Neg Am interest remains at $25, unless the payment is made during the month of July.		outstanding interest of which $25 is Neg Am. If the borrower made at $15 payment the outstanding interest would reflect $110 of which : $10 would be Neg Am and $100 would be regular.
8	Delinquency that exists before the begin date of a deferment. Apply a non- capping forbearance. Interest that accrues during the non-capping forbearance will be capped at the end of the deferment.	Aspire	This is incorrect and has been clarified with this CR. A non-capping deferment may not be used to clear delinquency prior to a deferment start date.
9	Delinquency that exists before a period necessary to determine the borrower's eligibility for disability or death discharge. Apply a non-capping forbearance. Interest that accrues during the non-capping delinquency forbearance and non-capping disability forbearances will not be capped and will remain outstanding.	Aspire	To clear delinquency you should use a **Capping** forb. Non-Capping forbs should only be processed to a borrowers account to cover a period of time the servicer is processing paperwork, In this type of scenario a capping for should have been processed to cover the delinquency prior to the disability forbearance, Non-Capping forbearances should only be used to cover the period the

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			servicer is processing paperwork, NOT to clear delinquency.
10	Delinquency that exists before the use of a disaster forbearance, which is a non-capping forbearance. Apply a capping forbearance. Interest that accrues during the capping forbearance will be capped at the end of the non-capping disaster forbearance.	Aspire	Yes that is correct. The interest that was unpaid prior to the non-capping forbearance begin date will be capitalized at the end of the non-capping forbearance. Refer to **Example # 4** of the Job Aid
11	Delinquency that exists when applying any payment plan change. Apply a capping forbearance. Interest that accrues during the capping forbearance will be capped at the end of the capping forbearance.	Aspire	Yes, that is correct. Non Capping forbearances should not be used to clear delinquency. The interest that was unpaid prior to the non-capping forbearance begin date will be capitalized at the end of the non-capping forbearance. Refer to **Example # 4** of the Job Aid
12	Delinquency that exists before the use of the forbearance to collect and process documentation to support repayment plan change, which is a non-capping forbearance.. Apply a capping forbearance. Interest that accrues during the capping forbearance will be capped at the end of the non-capping documentation collection forbearance.	Aspire	Yes, that is correct. Non Capping forbearances should not be used to clear delinquency. The interest that was unpaid prior to the non-capping forbearance begin date will be capitalized at the end of the non-capping forbearance. Refer to **Example # 4** of the Job Aid
13	Delinquency that exists before other non-capping forbearances such the use of the forbearance to collect and support the borrower's request for deferment or forbearance. For example: Borrower is sent an SLDB Forbearance; Aspire is allowed to process a non-capping data collection forbearance to collect the information necessary for the forbearance. If the borrower is delinquent prior to this forbearance, we process another non-capping forbearance to cover the delinquency	Aspire	The only time a Servicer should be processing a Non-capping forbearance in this scenario is for up to 60 days in the future from when the request for the action that requires data collection was initiated. Non-Capping forbearances should NOT be used to clear prior delinquency. To clear delinquency you should use a **Capping** forb. The interest that was unpaid prior to the non-capping forbearance begin date will be capitalized at the end of the non-capping forbearance.

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	prior to the non-capping data collection forbearance so a borrower is not left delinquent prior to any assistance. Apply a non- capping forbearance. Interest that accrues during the non-capping delinquency forbearance and other non-capping forbearances will not be capped and will remain outstanding.		Refer to **Example # 4** of the Job Aid
14	Delinquency that exists before other capping forbearances such as general forbearance, mandatory, etc.. Apply a non- capping forbearance. Interest that accrues during the non-capping forbearance will be capped at the end of last capping forbearance per CR 1492 Requirement 5065.02.	Aspire	No that is incorrect.. Non Capping forbearances should not be used to clear delinquency (except for up to 60 days for a loan transfer). In this scenario the borrower would need to either qualify for the forbearance to cover the period prior, or apply an Administrative forbearance (Capping forbearance)
15	For each scenario, What effective date should PHEAA use to cap all outstanding interest? **Scenario 1** temp hardship forb 7/1/13 - 8/14/13 deferment 8/15/13 - 5/21/14 temp hardship forb 6/1/14 - 8/31/14 non-capping admin forb 9/01/14 - 10/31/14 **Interest Cap Effective 9/1/14** **Scenario 2** temp hardship forb 7/1/13 - 8/31/13 non-capping admin forb 9/01/13 - 10/31/13 deferment 11/1/13 - 8/15/14 **Interest Cap Effective 8/16/14**	PHEAA	For Scenario #1 the cap would occur on 11/01. No need to effective date (or back date) the cap in back to back scenarios. The only cap that would be back dated would be Neg Am. Scenario #2 you are correct. The cap would occur at the end of the deferment. No need to back date.

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#	Servicer	Topic	Req.	Clarification Questions	FSA Response
1	MOHELA	**60-day Non-Capping**	Job Aid	Please further explain the use of the non-capping forbearance prior to the begin date of a deferment. The job aid speaks to delinquencies of 60 days or less for the use of non-capping forbearance. If the delinquency is greater than 60 days then we continue to use the capping admin forbearance as allowed in the regulations?	***This was incorrect and has been updated, non capping forbearances should not be used to clear delinquency, prior to an entitlement. The only forbearance that should be used to clear delinquency prior to an entitlement would be a capping forbearance.***
2	Aspire	**60-day Non-Capping**	Job Aid	– Based on the Servicer Q&A of the job aid, we thought this would be capping. And why only limited to 60 days?	***This was incorrect and has been updated, non capping forbearances should not be used to clear delinquency, prior to an entitlement. The only forbearance that should be used to clear delinquency prior to an entitlement would be a capping forbearance.***
3	Great Lakes	**60-day Non-Capping**	Job Aid P3	This example clearly illustrates what the CFPB and other borrower advocacy groups will find unfair. By splitting the $75 payments between Neg Am and Regular interest, we would end up capitalizing $78.44 vs. the $24.73 that would have been capitalized had we applied the entire payments to Neg Am interest. The notice we send to the borrowers in June also tell them the amount that will be capitalized "unless they make payments before July 31st". Borrowers will clearly be expecting the entire payment to reduce the amount to be capitalized.	***We will change application order to:*** ***1. Neg Am Interest*** ***2. Regular Interest*** ***3.Non-Capping Interest***
4	Navient	**60-day Non-Capping**	Job Aid Example 3	In the description of when a Non-Capping Forbearance is permitted it list: "To cover delinquent period of time immediately preceding a deferment"; however, according to FFELP Reg 682.211 and DL Reg 685.205, this forbearance is an allowable capping event that would occur after the last effective status (if back to back Def./Forb statuses).	***This was incorrect and has been updated, non capping forbearances should not be used to clear delinquency, prior to an entitlement. The only forbearance that should be used to clear delinquency prior to an entitlement would be a capping forbearance.***

#	Servicer	Topic	Req.	Clarification Questions	FSA Response
5	PHEAA	**60-day Non-Capping**	Job Aid Example 3	At the end of Example #3 on page 7, the first bullet under "Additional Clarification on the use of Non-Capping Forbearances" on page 15, and Q&A 8 all state that a 60-day non-capping forbearance should be used to cover a delinquency prior to a deferment. Based on the regulations, we don't understand the basis for this 60-day non-capping forbearance, especially if the borrower is more than 60 days delinquent. If the non-capping forbearance stands in this situation and the borrower is more than 60 days delinquent, may we apply a capping forbearance to cover the delinquency? Example: A borrower with unsubsidized loans is delinquent for 01/15/15, 02/15/15, 03/15/15, and 04/15/15 payments. He applies for and is approved for a deferment beginning 05/15/15 and ending 09/30/15. Please confirm: A capping forbearance is applied 01/15/15 to 05/14/15. A deferment is applied 05/15/15 to 09/30/15. All outstanding unpaid interest is capitalized on 10/01/15, effective 09/30/15.	***This was incorrect and has been updated, non capping forbearances should not be used to clear delinquency, prior to an entitlement. The only forbearance that should be used to clear delinquency prior to an entitlement would be a capping forbearance.*** ***Verbiage was also added to clarify that it is 60 days max per event.***
6	Great Lakes	**60-day Non-Capping**	Job Aid P23 #9	To clarify this example, you might want to add "delinquency > 60 days exists". Otherwise you would be using a non-capping forbearance as shown in number 8.	***This was incorrect and has been updated, non capping forbearances should not be used to clear delinquency, prior to an entitlement. The only forbearance that should be used to clear delinquency prior to an entitlement would be a capping forbearance.***
7	Great Lakes	**Disaster Forb**	General	Disaster forbearances should be included in the list of allowable non-capping forbearances, and the interest that accrues during the disaster forbearance should NEVER cap, correct?	***Yes, the documentation has been updated***
8	Aspire	**Disaster Forb**	Job Aid	The disaster forbearance (non-capping) is allowed to be processed up to 90 days (per CR 2947) Could you clarify?	***Yes, the documentation has been updated***
9	Nelnet	**EA27 Changes**	5023	At this time, we do not receive the loan balance at the time of entering repayment if the borrower is not in an alternative payment plan at the time of transfer. Will the EA27 file be updated to require this information/field for all loans? If we received the loan via EA27 file, we are currently calculating the loan amount at time of repayment by adding the active disbursements amounts together.	***FSA acknowledges that the EA27 should be updated with a field to capture this in the EA27 and expects the Servicers will continue to follow their existing process to determine the value.***
10	Nelnet	**EA27 Changes**	General	In the event of a transfer how would FSA like the servicers to handle the non capping forbearance interest until non capping forbearance is included in the EA27?	***This is on our list for EA27 Version 5, any suggestions amongst the Servicers on how to address outside the release of a "new" version, or did you'all want to address in a spreadsheet?***

#	Servicer	Topic	Req.	Clarification Questions	FSA Response
11	Navient	**EA27 Changes**		Can an example be provided of how a Servicer will manage a transferred loan retro processing event? If the interest accrued at the prior servicer and was transferred to us on 7/1.	***You would need to follow the same requirements and use the same procedures/ tools/ processes you use today for retro reprocessing. (EA80 or contact the prior servicer). Please provide an example if you would like FSA to evaluate .***
12	Nelnet	**IDR Capping ?'s**	5066	When the requirements refer to IBR PFH, should we include PAYE PFH due to CR1492 was created prior to establishing the PAYE plan?	***Yes***
13	Great Lakes	**IDR Capping ?'s**	5066.01	This should also include Pay As You Earn, correct?	***Yes***
14	Great Lakes	**IDR Capping ?'s**	5066.01	I am reading this to mean "even the Neg Am capping rules". Is that what you meant? In other words – absolutely no capping events during PFH – not even for Neg Am – none EVER.	***The only time capping takes place on an account in PFH is either when a borrower loses PFH or exits the plan. Once a borrower enters PFH their "Neg Am" interest will either be paid down while the borrower pays on their account or will cap if the borrower loses PFH or leaves the repayment plan, but it will not need to cap as Neg Am at that point, but just cap as interest.***
15	Nelnet	**IDR Capping ?'s**	5072	Nelnet suggests that payments be apportioned first to Neg Am interest, then to Regular interest, and finally to non-capping interest. This will allow borrowers to satisfy the potential Neg Am cap amount communicated in the 6/30 letter by making a payment equal to that potential Neg Am cap amount	***We have changed the application order to:*** ***1. Neg Am Interest*** ***2. Regular Interest*** ***3.Non-Capping Interest***
16	Great Lakes	**IDR Capping ?'s**	5072.01	(Job Aid) I'm reading this as NEVER cap interest during PFH – not even Neg Am interest. But that's not what Example 8 shows.	***The only time capping takes place on an account in PFH is either when a borrower loses PFH or exits the plan. This example will be updated to clearly reflect.***
17	Navient	**IDR Capping ?'s**	General	If a borrower enters a deferment or forbearance without a PFH, but regains PFH during the deferment or forbearance period, then interest does not capitalize at the end of the deferment or forbearance period.	***No the only time capping takes place on an account in PFH is either when a borrower loses PFH or exits the plan.***
18	Navient	**IDR Capping ?'s**	General	Can they actually regain or re-enter PFH during the Deferment or Forbearance period? Our assumption was that even if they renewed during the Def./Forb period that the PFH would not begin again until after the Def./Forb end date; allowing the interest to capitalize at the end of the deferment period. Can you provide clarification around what would constitute regaining PFH?	***No the only time capping takes place on an account in PFH is either when a borrower loses PFH or exits the plan.***
19	PHEAA	**IDR Capping ?'s**	Job Aid Example 8	we'd like to walk through with the other IDR plans (PAYE) and see how the timing of interest and limits would impact the buckets.	***No the only time capping takes place on an account in PFH is either when a borrower loses PFH or exits the plan.***
20	Great Lakes	**IDR Capping ?'s**	Job Aid P20	The borrower is still in PFH on 9/1/2014. I'm reading requirement 5066.01 to say NEVER cap during PFH.	***No the only time capping takes place on an account in PFH is either when a borrower loses PFH or exits the plan.***
21	Aspire	**IDR Capping ?'s**		Could you please confirm that outstanding negam interest accrued during a period of ICR effectively becomes regular interest if the borrower enters an IBR PFH repayment schedule, and that even if the borrower later re-enters ICR, that the outstanding interest in the negam interest bucket would start at zero.	***Yes this is correct. Once the borrower enters PFH Neg Am interest is either paid or capped as a regular cap when the borrower either loses PFH or leaves the payment plan.***

#	Servicer	Topic	Req.	Clarification Questions	FSA Response
22	Nelnet	**Implementation Approach**	5065 (Job Aid Example 5)	the interest that accrued between 8/3/14 and 8/7/14 did not cap. Why did this not cap? It was our understanding that the interest accrued as regular interest.	***Because this was a repayment period. There were 3 days between the deferment and the non capping forbearance. Since the end of a non capping forbearance there is not a capping event, the interest is just regular interest and will be paid once the borrower begins repaying the loan.***
23	Aspire	**Implementation Approach**	General	Our system currently does not handle capitalization in this manner (i.e. capping buckets). Will this change be a point and time forward? Will we need to clean up everything prior to this CR?	***We are not expecting Servicers to proactively identify issues, however if during the course of servicing a loan issues are identified , these should be addressed and corrected based on these requirements.***
24	PHEAA	**Implementation Approach**	Implementation Plan	PHEAA would like to walk through FSA's plan for implementation. Because this CR is changing how we track interest and prorate payments, it would be helpful to understand how FSA wants to approach the roll out.	***We are not expecting Servicers to proactively identify issues, however if during the course of servicing a loan issues are identified , these should be addressed and corrected based on these requirements.***
25	Aspire	**Implementation Approach**	General	When correcting previous servicing errors, what capping rules do we follow? We don't always know if the forbearance type used is non-capping.	***These should be case by case and you should follow the current rules at the time you are making corrections. You should be able to tell based on if the forbearance was capped at then end of the entitlement or not.***
26	Aspire	**Implementation Approach**	General	In the actual CR, requirement # 5065- states the following: "NOTE: FSA notes some servicers are likely to state that "their system complies", but they have business rules that exclude from capitalization that which accrued on a prior servicer's system; please note that this condition is not acceptable compliance and will require change." What does this mean?	***We just wanted to be sure all servicers are aware of the requirements and that they should not just have business rules in place to handle prior servicers interest from capitalizing. All systems should accept the interest from another Servicing platform and be able to determine what to do with the interest once it is on their system.***
27	Nelnet	**Int Accrual/ Cap $**	Job Aid Example 4	Please clarify why the Neg Am cap for $9.92? We were expecting it to be for $11.90 due to the borrower was in ICR from 09/01/13 through 09/06/13	***Not following please further explain***
28	Navient	**Int Accrual/ Cap $**	Job Aid Example 5	1) Can you confirm that in this example the periods are considered back to back because there were no payments due between 8/4 and 8/7? 2) At the end of the Non-Capping Forbearance, should the deferment interest be capitalized effective 8/4 (end of the deferment) or effective 10/8 end of the non-capping period?	***1.) yes*** ***2.) 10/08***
29	Navient	**Int Accrual/ Cap $**	Job Aid Example 7	Assuming the cap event represents the unsubsidized interest and that subsidy would continue after the DUEM ends	***This was incorrect and has been updated, non capping forbearances should not be used to clear delinquency, prior to an entitlement. The only forbearance that should be used to clear delinquency prior to an entitlement would be a capping forbearance.***
30	Great Lakes	**Int Accrual/ Cap $**	Job Aid P7	Why did non-capping interest go down at the end of thi	***Because the borrowers made payments during the month of July which is the purpose of the Neg am capping date being delayed until the end of July to allow the borrower time to pay down the Neg am interest prior to capping.***
31	Nelnet	**Int Accrual/ Cap $**	Job Aid P7	Could the dates be added to ensure the dates of the capping activities align with our understanding?	***Yes I have the dates that correspond with this scenarios and have added them .***

#	Servicer	Topic	Req.	Clarification Questions	FSA Response
32	PHEAA	**Int Accrual/ Cap $**	Job Aid Question #15	Question #15 states that in both examples, all outstanding interest, including non-capping forbearance interest, would be capitalized. The answer infers that is correct. For documentation purposes, please confirm that the interest that accrued during the non-capping forbearance cannot be capitalized	***The interest accrued during the non capping forbearance will NEVER capitalize***
33	Aspire	**Int Accrual/ Cap $**	5065	What if a borrower has outstanding interest prior to going onto assistance, is that outstanding interest to be included in the cap? For example, Borrower is on a Standard repayment plan and has $20 in outstanding interest (not past due so no need to use any assistance) before going on an economic hardship deferment. The interest that accrues while on the deferment is $200. At the end of the deferment, does only the $200 cap or would it be everything outstanding (the $220)? Per requirement 5065, we interpret that all outstanding interest ($220) would cap at the end of the deferment. Can you confirm?	***That is correct everything in the regular interest bucket (in this case $220) would cap. If the $20 had accrued during a non capping forbearance, then only $200 would cap.***
34	Nelnet	**Int Accrual/ Cap $**	5023.04 (Job Aid 1)	If the borrower made payments for only $20.00, would the amount of interest considered as Neg Am be the difference between accrued and what was paid, regardless of the scheduled payment amount?	***If the borrower's scheduled payment amount is less than the monthly accrued interest, all interest accrued while in repayment status on that payment plan is considered Neg Am. Neg Am is not based on the amount the borrower actually pays, but their scheduled payment amount.***
35	PHEAA	**Int Accrual/ Cap $**		Please confirm our understanding of the following scenario: Cappable event followed immediately by a non-cappable forbearance: - deferment from 8/25/14 - 12/22/14 - $200.00 interest accrues - processing forbearance 12/23/14 - 2/20/15 - $100.00 interest accrues - $200.00 interest cap applied effective 2/21/15	***Your understanding is correct. Assuming "processing forbearance" is non-capping forbearance.***
36	PHEAA	**Int Accrual/ Cap $**		Please confirm our understanding of the following scenario: Cappable event followed immediately by cappable event: - deferment from 8/25/14 - 12/22/14 - $200.00 interest accrues - forbearance 12/23/14 - 2/20/15 - $100.00 interest accrues - $300.00 interest cap applied effective 2/21/15	***Yes, your understanding is correct***

#	Servicer	Topic	Req.	Clarification Questions	FSA Response
37	PHEAA	**Int Accrual/ Cap $**		Please confirm our understanding of the following scenario: Cappable event followed by a cappable event with a gap between (no bill due and less than 30 days): - deferment from 8/25/14 - 12/22/14 - $200.00 interest accrues - $15.00 accrues 12/23/14 - 12/31/14 - forbearance 1/1/15 - 3/1/15 - $100.00 interest accrues - $315.00 interest cap applied effective 3/2/15	***Yes, your understanding is correct***
38	PHEAA	**Int Accrual/ Cap $**		Please confirm our understanding of the following scenario: Cappable event followed by a non-cappable forbearance with a gap between (no bill due and less than 30 days): - deferment from 8/25/14 - 12/22/14 - $200.00 interest accrues - $15.00 accrues 12/23/14 - 12/31/14 - processing forbearance 1/1/15 - 3/1/15 - $100.00 interest accrues - $200.00 interest cap applied effective 3/2/15	***Yes, your understanding is correct***
39	PHEAA	**Int Accrual/ Cap $**		Please confirm our understanding of the following scenario: Using the example above, a subsequent cappable event added - $21.67 accrues from 3/2/15 - 3/14/15 - deferment added 3/15/15 - 5/13/15- $100.00 interest accrues - $136.67 interest cap applied effective 5/14/15	***Yes, your understanding is correct***
40	Navient	**Int Accrual/ Cap $**	5065	Can you please clarify requirement 5065.00: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period. Specifically, we capitalize all outstanding interest at the end of a cap status. Ex) Borrower had $20 in reg interest accrued prior to entering the deferment status. At the end of the deferment the $20 plus what accrued during the deferment status would be capitalized.	***In your example if a borrower had regular interest accrued prior to a capping entitlement, that amount plus and additional interest accrued during the event will capitalize at the end of the event.***

Business Operations Change Request Form

Send all Change Request Forms to POCChangeRequest@ed.gov

Administrative Information

Service Area Validation for Submission: Completed: ☒ **Defer:** ☐ **ID:** 2785
Requestor: Cindy Battle **Date Drafted:** 09.02.14
CR Title: 1492 Requirement Clarification **Date Received:** 9/2/14
BA: La Teata Jackson **Anticipated Implementation Date:** May 11, 2015

FSA Service/System/Area Impacted

☒ Title IV Servicers (TIVAS)	☐ Ancillary Services	☐ Call Centers
☒ Not-for-Profits (NFPs)	☐ COD	☐ FMS
☐ PSLF	☐ NSLDS	☐ Security Architecture
☐ TEACH	☐ ADM/FPDM	☐ EAI
☐ TPD	☐ CPS	☐ PEPS/IPM
☐ Perkins	☐ EDExpress	☐ SAIG
☐ DMCS/DMCS2	☐ eCampus-Based	☐ AIMS
☐ DLCS	☐ Participation Management	☐ **Other:** _____

☒ **Notification Only: NSLDS**

Reason for Change (Business Need):

Background:

In the last quarter of 2011, the Department drafted a change control (CR # 1492) to standardize the capitalization practice for the federal loan servicers that service its portfolio. In FY 2012, each federal loan servicer implemented the appropriate system enhancement to comply with the change control.

During the implementation of CR1492, servicers may have interpreted requirement 5065.00 as intending to **exclude all outstanding unpaid interest** from a deferment or forbearance cap (other than that interest which accrued during the deferment or forbearance period) rather than including all outstanding, unpaid interest (excluding neg am*) at the end of a capping deferment or forbearance.

> *5065.00 "The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period."*

This change control provides clarification (and seeks confirmation from all servicers) on the proper interpretation of Requirement 5065.00, such that:

> **5065.00:** ***The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping*) at the end of a capping deferment or forbearance period.***

*Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower's monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.

Further, FSA has become aware that non-capping interest is not being handled as initially designed. Interest accrued while in a non-capping forbearance should NEVER EVER capitalize. FSA is aware this is currently not captured in the EA27 file and that will also be addressed in a future CR.

Description of Change Requested (Requirements):

This CR has been modified to:

- ***Remove compliance/non-compliance check boxes***
- ***Require Impact Assessments from all contractors***
- ***Clarified Neg Am Capitalization event timing***
- ***Add requirements for Never Ever Capitalizing***
- ***Provide a Job Aid to answer questions and provide scenarios***
- ***Provide final Q&A responses***

Servicer Requirements:

Requirement #	Requirement
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a **processing date** of **July 31** and **effective date** of **June 30**.
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization processing date until the end of the deferment or forbearance, but the effective date should still be June 30.
5023.04	Interest is deemed “negative amortization interest” or “negatively amortized interest” if it accrues because the borrower’s repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.
Revised 5065.00	**FROM: The servicer shall ensure that the only interest that capitalizes at the end of a deferment or forbearance period is the interest that accrued during the deferment or forbearance period.** **TO: The servicer shall capitalize all outstanding, unpaid interest (excluding neg am* and non-capping) at the end of a capping deferment or forbearance period.** *Under the Income Contingent Repayment (ICR) or Alternative Neg Am Repayment Plan, the borrower’s monthly payment may be less than the monthly interest accrued on the borrower's loan(s). This situation is

	referred to as negative amortization. Annually each year, interest that is unpaid while the borrower's loan(s) negatively amortizes is capitalized up to the capitalization limit. The capitalization limit is ten percent of the original principal balance on each individual loan. The original principal balance is the principal balance outstanding on a loan when the loan first enters repayment. The ten percent limit will remain static except in cases of new disbursements, disbursement adjustments, and cancellations.
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**
5066.01	This requirement overrides any other capitalization requirement.
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.
5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.
5068.02	When referencing a forbearance, all forbearances are included except for a non-capitalizing administrative forbearance, as specified in 34 CFR 685.205(b)(9) and 682.211(f)(11).
5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.

5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**
5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**

Requirements for Interest accrued while in a non-capping forbearance that should NEVER EVER capitalize.

5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances

When providing Assessments, please assess each requirement with detail on what you will need to change and provide the ROM for that change.

Requirement ID	Requirement	Describe the changes you must make to comply or state "Already Compliant"	ROM
5023.00	**The servicer shall capitalize interest that accrues due to a negatively amortizing ICR Plan or a negatively amortizing Alternative Repayment Plan.**		
5023.01	The servicer shall capitalize the negatively amortized interest that accrues through June 30 annually with a processing date of July 31 and effective date of June 30.		
5023.02	Negatively amortized interest is capitalized up to 10 percent of the loan balance that existed at the time the loan entered repayment.		
5023.03	For loans that are in a deferment or forbearance at the time of the annual capitalization, the servicer will delay capitalization until the end of the deferment or forbearance.		
5023.04	Interest is deemed "negative amortization interest" or "negatively amortized interest" if it accrues because the borrower's repayment plan naturally causes more interest to accrue than the borrower pays. Interest accrued during a deferment or forbearance is NOT considered negative amortization interest.		
Revised 5065.00	**The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.**		
5065.01	Interest that accrued due to a loan's negative amortization will not capitalize at the end of a deferment or forbearance except as permitted in requirement 5023.03.		
5066.00	**The servicer shall ensure that capitalization does NOT occur for a borrower who is on the Income Based Repayment (IBR) Plan if the borrower is has a partial financial hardship (PFH).**		
5066.01	This requirement overrides any other capitalization requirement.		
5066.02	Capitalization of unpaid interest should occur on the day after the borrower leaves the IBR plan OR no longer has a PFH except as provided in requirement 5066.04.		
5066.03	For a borrower who is repaying under IBR and receives a deferment or forbearance and still has a PFH when the deferment period ends, unpaid interest is not capitalized at the end of the deferment or forbearance.		

5066.04	For a borrower who is repaying under IBR, receives a deferment or forbearance, and loses PFH status while the deferment or forbearance is running, unpaid interest is not capitalized until the end of the deferment or forbearance.		
5067.00	**The servicer shall recalculate the borrower payment, re-disclose the payment schedule, and notify the borrower of the capitalization amount at each occurrence of capitalization.**		
5068.00	**The servicer shall capitalize federally held loans only as explicitly authorized in this requirement (and sub-requirements).**		
5068.01	When referencing a federally held FFELP Loan, the following FFELP loans in the Department's portfolio are included: PUT, Conduit, and reinstated TPD loans.		
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5068.03	For Direct Subsidized Loans and ED-held FFEL Subsidized Stafford loans, interest is capitalized when the loan exits forbearance.		
5068.04	For Direct Unsubsidized Loans and ED-held FFEL Unsubsidized Stafford loans, interest is capitalized when the loan enters repayment, exits deferment, and exits forbearance.		
5068.05	For Direct PLUS Loans and ED-held FFEL PLUS loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.06	For Direct Subsidized Consolidation Loans, interest is capitalized when the loan exits forbearance.		
5068.07	For Direct Unsubsidized Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.08	For Direct PLUS Consolidation Loans, interest is capitalized when the loan exits deferment and exits forbearance.		
5068.09	For Direct Consolidation Loans that qualified for a grace period under regulations that were in effect for consolidation applications received before July 1, 2006, interest on the unsubsidized portion of the loan is also capitalized when the loan enters repayment.		
5069.00	**The servicer shall ensure that if a borrower enters a series of consecutive status changes that would otherwise result in interest capitalization (periods of back-to-back deferment and or forbearance), the servicer will capitalize only once, at the end of the final status change if there is no break (payment due) between the events.**		

5069.01	The transition from grace period to any other status, including deferment or forbearance, is not included in this requirement.		
18001.03	Servicers may use the allowable 60 day administrative forbearance for loans sold or transferred if the borrower is less than 60 days delinquent on the loan at the time of sale or transfer. **This administrative forbearance is a non-capping forbearance.**		
5070.00	**Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance**		
5071.00	**Interest accrued while loan is in a non-capping forbearance shall never capitalize**		
5072.00	**Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment**		
5072.01	When payments are applied to interest amounts they shall be pay down interest amounts in the following order: 1. Neg Am 2. Regular interest 3. Non-Capping		
5072.02	Once the Neg Am and Regular interest amounts are satisfied, payments are then allocated to non-capping interest balances		

Additional Information (All OPERATIONAL impacts must be assessed):

Capitalization References:
685.202
(b) Capitalization. (1) The Secretary may add unpaid accrued interest to the borrower's unpaid principal balance. This increase in the principal balance of a loan is called ''capitalization.''

(3) Notwithstanding § 685.208(l)(5) and § 685.209(d)(3), for a Direct Loan not eligible for interest subsidies during periods of deferment, and for all Direct Loans during periods of forbearance, the Secretary capitalizes the unpaid interest that has accrued on the loan upon the expiration of the deferment or forbearance.

(4) Except as provided in paragraph (b)(3) of this section and in § 685.208(l)(5), and § 685.209(d)(3), the Secretary annually capitalizes unpaid interest when the borrower is paying under the alternative or income contingent repayment plans and the borrower's scheduled payments do not cover the interest that has accrued on the loan.

685.209
(5) Limitation on capitalization of interest.
If the amount of a borrower's monthly payment is less than the accrued interest, the unpaid interest is capitalized until the outstanding principal amount is ten percent greater than the original principal amount. After the outstanding principal amount is ten percent greater than the original amount, interest continues to accrue but is not capitalized. For purposes of this paragraph, the original amount is the amount owed by the borrower when the borrower enters repayment.

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)? (THIS FIELD IS REQUIRED)
X No ☐ Yes

IST Anticipation (THIS FIELD AND DATE ARE REQUIRED):
X No ☐ Yes; Anticipated Date(s):

Post-Implementation Validation (THIS FIELD IS REQUIRED):
☐ No X Yes

Validation (REQUIRED FOR SERVICERS ONLY):

Requirement ID	Requirement	Validation Artifact(s)	Due Date
5065.00	The servicer shall capitalize all outstanding, unpaid interest (excluding neg am and non-capping) at the end of a capping deferment or forbearance period.	➢ FSA will supply each servicer with the same set of 20 scenarios (making modification as appropriate to the original 1492 test conditions) to document compliance ➢ The Servicer shall provide not less than requested test scenarios, executed in a test mode in addition to providing a Live Walkthrough.	30 days prior to go live
5070.00	Interest accrued while loan is in a non-capping forbearance shall not capitalize at the end of the non-capping forbearance		30 days prior to go live
5071.00	Interest accrued while loan is in a non-capping forbearance shall never capitalize		30 days prior to go live
5072.00	Interest accrued while loan is in a non-capping forbearance shall be the last interest category to be satisfied with a payment		30 days prior to go live

From: Ian.Foss@ed.gov
Sent: 12 Jan 2012 15:15:57 -0500
To: Jackson, Lateata
Cc: Battle, Cynthia
Subject: Re: Revised Assessments Received for CR 1492

I'm free. Neg reg wrapped up early.

On Jan 12, 2012, at 15:00, "Jackson, Lateata" <Lateata.Jackson@ed.gov> wrote:

> See the Below, PHEEA wants a meeting. Will the both of you be in the office tomorrow 1/13? I would like to set up a call for then.
>
> **La Teata Jackson**
> **Change Management Division**
> **Federal Student Aid**
> **U.S. Department of Education**
> **desk - (202)377-3269**
>
> **Nothing is so strong as gentleness and nothing is so gentle as real strength.**
> Saint Francis de Sales C.O.
>
> ---
> **From:** Connelly, Tammy
> **Sent:** Tuesday, January 10, 2012 2:15 PM
> **To:** Whittington, Rochelle
> **Cc:** (b)(4); (b)(6) Jackson, Lateata; Onley, Nora; Washington, Patrice; Miller, Debbie; Chung, Nicholas; Murray, Michael J; Jones, Julia L.
> **Subject:** RE: Revised Assessments Received for CR 1492
> **Importance:** High
>
> (b)(5)
>
> Please let me know what time would be good to meet.
>
> Thanks.
>
> Tammy Connelly
> Federal Student Aid
> Business Operations

Program Management Services
830 First Street, NE, 62A4
Washington, DC 20202
202-377-3298 (office)
202-510-8088 (cell)

From: Whittington, Rochelle
Sent: Tuesday, January 10, 2012 12:44 PM
To: Connelly, Tammy
Cc: Whittington, Rochelle; (b)(4); (b)(6) Jackson, Lateata; Onley, Nora; Washington, Patrice; Miller, Debbie
Subject: FW: Revised Assessments Received for CR 1492

Tammy,

(b)(5)

<< File: CR ID 1492 Requirements Clarifications for InterestCapitalization Practices - Impact Analysis 12142011.docx >> << File: CR ID 1492 Requirements Checklist.xlsx >>
Responses to PHEAA capitalization questions:

(b)(5)

(b)(5)

From: Wright, Rosalizes
Sent: 4 Jan 2012 09:54:53 -0600
To: Miller, Debbie;Battle, Cynthia;Connelly, Tammy;Jackson, Lateata;DiCarlo, Lisa;Washington, Patrice
Cc: Foss, Ian;(b)(4); (b)(6) O'Flaherty, Sue
Subject: RE: Revised Assessments Received for CR 1492

Good morning and Happy New Year.

There was a question outstanding as of Friday that we were able to confirm with the servicer but wanted to ensure no other conflicts with the remaining assessments. After review, we can agree there are no conflicts for the specific requirement in question. However, it is noted that a clarification is needed on one of the assessments and I believe we can receive thatupon La Teata's return tomorrow.

Thanks!
Rosa

From: Miller, Debbie
Sent: Wednesday, January 04, 2012 10:20 AM
To: Battle, Cynthia; Connelly, Tammy; Jackson, Lateata; DiCarlo, Lisa; Washington, Patrice
Cc: Foss, Ian; Wright, Rosalizes; (b)(4); (b)(6) O'Flaherty, Sue
Subject: RE: Revised Assessments Received for CR 1492

Please know that La Teata is on leave today and will be in the office tomorrow, Thursday 1/5/12. Via separate email I have asked her to make providing this status a priority.

Please let me know if there is an issue with waiting till tomorrow.

Debbie

Debbie Miller
Manager, Change Management
Business Operations/SOADMS
Federal Student Aid
202-377-3713

From: Battle, Cynthia
Sent: Wednesday, January 04, 2012 8:26 AM
To: Connelly, Tammy; Jackson, Lateata; DiCarlo, Lisa; Washington, Patrice
Cc: Foss, Ian; Wright, Rosalizes; Miller, Debbie; (b)(4); (b)(6) O'Flaherty, Sue
Subject: RE: Revised Assessments Received for CR 1492

Thanks Tammy. I'll wait for LaTeata to confirm if any outstanding questions still lingering. Rosa contacted me last week to confirm any needed changes to requirements -- so thought questions resolved.

LaTeata -- where does this one stand?

Thanks!

From: Connelly, Tammy
Sent: Wednesday, January 04, 2012 8:13 AM
To: Battle, Cynthia; Jackson, Lateata; DiCarlo, Lisa; Washington, Patrice
Cc: Foss, Ian; Wright, Rosalizes; Miller, Debbie; (b)(4); (b)(6) O'Flaherty, Sue
Subject: RE: Revised Assessments Received for CR 1492

Happy New Year Cindy. This has not been funded yet. I would also like to get a status so Patrice and I can give an update to our Managers.

Thanks

Tammy Connelly
Federal Student Aid
Business Operations
Program Management Services
830 First Street, NE, 62A4
Washington, DC 20202
202-377-3298 (office)
202-510-8088 (cell)

From: Battle, Cynthia
Sent: Wednesday, January 04, 2012 8:06 AM
To: Jackson, Lateata; Connelly, Tammy; DiCarlo, Lisa
Cc: Foss, Ian; Wright, Rosalizes; Miller, Debbie; (b)(4); (b)(6) O'Flaherty, Sue
Subject: RE: Revised Assessments Received for CR 1492

Happy New Year!

Were we able to get this task funded by the end of the year and is there anything still needed from the program office to close out? Please let me know if there are any outstanding questions. Thanks.

From: Jackson, Lateata
Sent: Thursday, December 29, 2011 3:49 PM
To: Connelly, Tammy; DiCarlo, Lisa
Cc: Battle, Cynthia; Foss, Ian; Wright, Rosalizes; Miller, Debbie; (b)(4); (b)(6)
Subject: RE: Revised Assessments Received for CR 1492

All,

I know that Sr. Leadership wanted this task funded by the end of this calendar year but the review of the in-house assessments can't be completed atthis time per Ian. Do we have options to put funds aside based on the current assessments?

La Teata Jackson
Change Management Division
Federal Student Aid

U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Foss, Ian
Sent: Wednesday, December 28, 2011 9:01 AM
To: Jackson, Lateata; DiCarlo, Lisa; Wright, Rosalizes
Cc: Battle, Cynthia
Subject: RE: Revised Assessments Received for CR 1492

Sorry La Teata, I didn't get to this before I went on leave, like Lisa had requested.

(b)(5)

From: Jackson, Lateata
Sent: Wednesday, December 28, 2011 8:53 AM
To: DiCarlo, Lisa; Foss, Ian; Wright, Rosalizes
Cc: Battle, Cynthia
Subject: RE: Revised Assessments Received for CR 1492

Good Morning all. Can someone tell me the status of this review?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: DiCarlo, Lisa
Sent: Wednesday, December 21, 2011 11:47 AM
To: Foss, Ian; Wright, Rosalizes
Cc: Battle, Cynthia; Jackson, Lateata
Subject: FW: Revised Assessments Received for CR 1492

Ian-

Cindy is out and I am hoping you are not!

We received the revised assessments for Capitalization. Can you take alook? (b)(5)

(b)(5)

<< Message: FW: Can you give me a quick call - re: Capitalization >>

Lateata let me know if I misspoke…

Lisa DiCarlo | Direct Loan Division | Federal Student Aid | U.S. Dept. Of Education
P: (202) 377-3129 | C: (202) 557-5864 | lisa.dicarlo@ed.gov

From: Jackson, Lateata
Sent: Wednesday, December 21, 2011 11:37 AM
To: DiCarlo, Lisa
Subject: FW: Revised Assessments Received for CR 1492

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Thursday, December 15, 2011 3:48 PM
To: Battle, Cynthia
Subject: Revised Assessments Received for CR 1492

Per the email that I sent earlier, here are the revised assessments that we received based on the revised CR we sent to TIVAS on November 16, 2011.

CR and Attachment

<< File: ID 1492_ Capitalization Practices - Revised 11162011.docx >> << File: Cap_req-CR1492 (3).xlsx >>

MOHELA

<< File: Impact Analysis for CR 1492 - MOHELA.DOC >>

PHEAA

<< File: CR ID 1492 Requirements Clarifications for InterestCapitalization Practices - Impact Analysis 12142011.docx >> << File: CR ID 1492 Requirements Checklist.xlsx >>

Great Lakes

<< Message: RE: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment >> << Message: PW RE: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment >> << Message: validation criteria - RE: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment >>

Nelnet

<< Message: FW: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment >> << Message: FW: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment >>

ACES

<< File: CR 1492 ACES Cap_req-CR1492.zip >> << File: CR 1492 ACES 20111214.docx >>

Sallie Mae

<< File: Sallie Mae Impact Analysis 1492 REVISED 12122011.pdf >> << File: Cap_req-CR1492.zip >> << File: CR1492 Impact-Interest Cap_NNI.DOC >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Wright, Rosalizes
Sent: 30 Dec 2011 08:02:26 -0600
To: Foss, Ian;Jackson, Lateata
Subject: RE: Revised Assessments Received for CR 1492

Good morning!

(b)(5)

Will forward or ask that they copy you both on the response. Thanks!
Rosa

From: Foss, Ian
Sent: Thursday, December 29, 2011 4:10 PM
To: Jackson, Lateata; Connelly, Tammy; DiCarlo, Lisa
Cc: Battle, Cynthia; Wright, Rosalizes; Miller, Debbie; (b)(4); (b)(6)
Subject: RE: Revised Assessments Received for CR 1492

(b)(5)

<< Message: Can you give me a quick call - re: Capitalization >>

From: Jackson, Lateata
Sent: Thursday, December 29, 2011 3:50 PM
To: Connelly, Tammy; DiCarlo, Lisa
Cc: Battle, Cynthia; Foss, Ian; Wright, Rosalizes; Miller, Debbie; (b)(4); (b)(6)
Subject: RE: Revised Assessments Received for CR 1492

All,

I know that Sr. Leadership wanted this task funded by the end of this calendar year but the review of the in-house assessments can't be completed at this time per Ian. Do we have options to put funds aside based on the current assessments?

<< Message: Revised Assessments Received for CR 1492 >>
La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Foss, Ian
Sent: Wednesday, December 28, 2011 9:01 AM

To: Jackson, Lateata; DiCarlo, Lisa; Wright, Rosalizes
Cc: Battle, Cynthia
Subject: RE: Revised Assessments Received for CR 1492

Sorry La Teata, I didn't get to this before I went on leave, like Lisa had requested.

(b)(5)

From: Jackson, Lateata
Sent: Wednesday, December 28, 2011 8:53 AM
To: DiCarlo, Lisa; Foss, Ian; Wright, Rosalizes
Cc: Battle, Cynthia
Subject: RE: Revised Assessments Received for CR 1492

Good Morning all. Can someone tell me the status of this review?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: DiCarlo, Lisa
Sent: Wednesday, December 21, 2011 11:47 AM
To: Foss, Ian; Wright, Rosalizes
Cc: Battle, Cynthia; Jackson, Lateata
Subject: FW: Revised Assessments Received for CR 1492

Ian-

Cindy is out and I am hoping you are not!

We received the revised assessments for Capitalization. Can you take a look? (b)(5)

(b)(5)

<< Message: FW: Can you give me a quick call - re: Capitalization >>
Lateata let me know if I misspoke…

Lisa DiCarlo| Direct Loan Division | Federal Student Aid| U.S. Dept. Of Education
P: (202) 377-3129 | C: (202) 557-5864 | lisa.dicarlo@ed.gov

From: Jackson, Lateata
Sent: Wednesday, December 21, 2011 11:37 AM
To: DiCarlo, Lisa
Subject: FW: Revised Assessments Received for CR 1492

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Thursday, December 15, 2011 3:48 PM
To: Battle, Cynthia
Subject: Revised Assessments Received for CR 1492

Per the email that I sent earlier, here are the revised assessments that we received based on the revised CR we sent to TIVAS on November 16, 2011.

CR and Attachment
<< File: ID 1492_ Capitalization Practices - Revised 11162011.docx >> << File: Cap_req-CR1492 (3).xlsx >>

MOHELA
<< File: Impact Analysis for CR 1492 - MOHELA.DOC >>
PHEAA
<< File: CR ID 1492 Requirements Clarifications for InterestCapitalization Practices - Impact Analysis 12142011.docx >> << File: CR ID 1492 Requirements Checklist.xlsx >>
Great Lakes
<< Message: RE: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment >> << Message: PW RE: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment >> << Message: validation criteria - RE: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment >>
Nelnet
<< Message: FW: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment >> << Message: FW: REVISED CR 1492 - Requirements Clarifications for Interest Capitalization Practices & 1 Attachment >>

ACES
<< File: CR 1492 ACES Cap_req-CR1492.zip >> << File: CR 1492 ACES 20111214.docx >>
Sallie Mae

<< File: Sallie Mae Impact Analysis 1492 REVISED 12122011.pdf >> << File: Cap_req-CR1492.zip >>
<< File: CR1492 Impact-Interest Cap_NNI.DOC >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Foss, Ian
Sent: 29 Dec 2011 21:09:54 +0000
To: Jackson, Lateata;Connelly, Tammy;DiCarlo, Lisa
Cc: Battle, Cynthia;Wright, Rosalizes;Miller, Debbie;(b)(4); (b)(6)
Subject: RE: Revised Assessments Received for CR 1492
Attachments: Can you give me a quick call - re: Capitalization

(b)(5)

<< Message: Revised Assessments Received for CR 1492 >>

From: Jackson, Lateata
Sent: Thursday, December 29, 2011 3:50 PM
To: Connelly, Tammy; DiCarlo, Lisa
Cc: Battle, Cynthia; Foss, Ian; Wright, Rosalizes; Miller, Debbie; (b)(4); (b)(6)
Subject: RE: Revised Assessments Received for CR 1492

All,

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U.S. Department of Education
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Sent: Wednesday, December 28, 2011 9:01 AM
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Cc: Battle, Cynthia
Subject: RE: Revised Assessments Received for CR 1492

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(b)(5)

From: Jackson, Lateata
Sent: Wednesday, December 28, 2011 8:53 AM
To: DiCarlo, Lisa; Foss, Ian; Wright, Rosalizes
Cc: Battle, Cynthia
Subject: RE: Revised Assessments Received for CR 1492

Good Morning all. Can someone tell me the status of this review?

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

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Sent: Wednesday, December 21, 2011 11:47 AM
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Cc: Battle, Cynthia; Jackson, Lateata
Subject: FW: Revised Assessments Received for CR 1492

Ian-

Cindy is out and I am hoping you are not!

We received the revised assessments for Capitalization. Can you take a look? (b)(5)

(b)(5)

<< Message: FW: Can you give me a quick call - re: Capitalization >>
Lateata let me know if I misspoke…

Lisa DiCarlo| Direct Loan Division | Federal Student Aid| U.S. Dept. Of Education
P: (202) 377-3129 | C: (202) 557-5864 | lisa.dicarlo@ed.gov

From: Jackson, Lateata
Sent: Wednesday, December 21, 2011 11:37 AM
To: DiCarlo, Lisa
Subject: FW: Revised Assessments Received for CR 1492

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Thursday, December 15, 2011 3:48 PM
To: Battle, Cynthia
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<< File: CR1492 Impact-Interest Cap_NNI.DOC >>

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Battle, Cynthia
Sent: 15 Dec 2011 14:39:52 -0600
To: Seeley, Doug
Cc: Foss, Ian;Jackson, Lateata;Pitts, Ryan (ACS)
Subject: Can you give me a quick call - re: Capitalization

Doug – the reason for my call:

Capitalization scenario that I need to validate how DL handles:

(b)(5)

Proposed the following recommendation/change to requirement 5023.03.

(b)(5)

<u>Is this how DL handles?</u>

From: Jackson, Lateata
Sent: 13 Jan 2012 09:18:47 -0600
To: Battle, Cynthia;Foss, Ian
Subject: RE: Revised Assessments Received for CR 1492

They want to make sure they understand the neg am cap rules and what to send to the borrower when.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

-----Original Message-----
From: Battle, Cynthia
Sent: Friday, January 13, 2012 8:59 AM
To: Jackson, Lateata; Foss, Ian
Subject: RE: Revised Assessments Received for CR 1492

Then can you have them submit the outstanding questions before the meeting?

From: Jackson, Lateata
Sent: Friday, January 13, 2012 8:57 AM
To: Battle, Cynthia; Foss, Ian
Subject: RE: Revised Assessments Received for CR 1492

The COR will be on the phone (b)(5)
(b)(5)

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

-----Original Message-----
From: Battle, Cynthia
Sent: Friday, January 13, 2012 8:54 AM
To: Jackson, Lateata; Foss, Ian
Subject: RE: Revised Assessments Received for CR 1492

Yes -- I will call in but (b)(5)
(b)(5)

want to be caught off guard or address questions that I shouldn't.

Thanks.

From: Jackson, Lateata
Sent: Thursday, January 12, 2012 3:00 PM
To: Battle, Cynthia; Foss, Ian
Subject: FW: Revised Assessments Received for CR 1492

See the Below, PHEEA wants a meeting. Will the both of you be in the office tomorrow 1/13? I would like to set up a call for then.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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Saint Francis de Sales C.O.

From: Connelly, Tammy
Sent: Tuesday, January 10, 2012 2:15 PM
To: Whittington, Rochelle
Cc: (b)(4); (b)(6) Jackson, Lateata; Onley, Nora; Washington, Patrice; Miller, Debbie; Chung, Nicholas; Murray, Michael J; Jones, Julia L.
Subject: RE: Revised Assessments Received for CR 1492
Importance: High

(b)(5)

Please let me know what time would be good to meet.

Thanks.

Tammy Connelly
Federal Student Aid
Business Operations
Program Management Services
830 First Street, NE, 62A4
Washington, DC 20202
202-377-3298 (office)
202-510-8088 (cell)

From: Whittington, Rochelle
Sent: Tuesday, January 10, 2012 12:44 PM
To: Connelly, Tammy
Cc: Whittington, Rochelle; (b)(4); (b)(6) Jackson, Lateata; Onley, Nora; Washington, Patrice; Miller, Debbie
Subject: FW: Revised Assessments Received for CR 1492

Tammy,

(b)(5)

<< File: CR ID 1492 Requirements Clarifications for InterestCapitalization Practices - Impact Analysis 12142011.docx >> << File: CR ID 1492 Requirements Checklist.xlsx >>
Responses to PHEAA capitalization questions:

(b)(5)

From: Foss, Ian
Sent: 4 May 2016 18:59:29 +0000
To: Siegel, Brian
Cc: Utz, Jon;Battle, Cynthia
Subject: RE: SCRA - Interest Capitalization

Thanks, Brian. (b)(5)

(b)(5)

From: Siegel, Brian
Sent: Wednesday, May 04, 2016 2:43 PM
To: Foss, Ian
Cc: Utz, Jon; Battle, Cynthia
Subject: RE: SCRA - Interest Capitalization

(b)(5)

(b)(5)

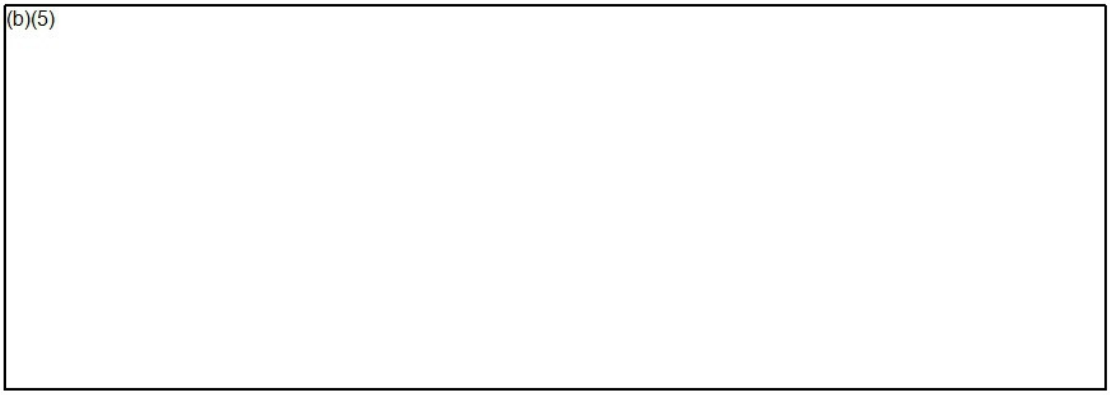
Brian

From: Foss, Ian
Sent: Wednesday, May 04, 2016 12:58 PM
To: Siegel, Brian
Cc: Utz, Jon; Battle, Cynthia
Subject: SCRA - Interest Capitalization

Hi Brian,

(b)(5)

Here's the paragraph:



Should we not be capitalizing interest for SCRA borrowers?

Ian

From: (b)(4); (b)(6)
Sent: 20 May 2016 14:04:31 +0000
To: Foss, Ian;(b)(4); (b)(6);Bubel, Susan;Battle, Cynthia;(b)(4); (b)(6)
Cc: (b)(4); (b)(6)
Subject: RE: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)

Cindy and Jennifer,

(b)(5)

Please let me know if you have any questions.
Thank you,
Jamie

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Wednesday, May 04, 2016 3:18 PM
To: (b)(4); (b)(6) Bubel, Susan; Battle, Cynthia
Subject: RE: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)

(b)(4); (b)(6)

(b)(5)

(b)(4); (b)(6)

From: (b)(4); (b)(6) [mailto: @glhec.org]
Sent: Tuesday, May 03, 2016 6:14 PM
To: @glhec.org; Bubel, Susan; Foss, Ian; Battle, Cynthia
Subject: RE: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

Sorry! The lawyer who originally set this direction has since retired. These were all the documents I could find from her on this topic. Hope it helps!

From: (b)(4); (b)(6)
Sent: Tuesday, May 03, 2016 5:11 PM
To: 'Bubel, Susan (Susan.Bubel@ed.gov)'; 'Ian.Foss@ed.gov'; 'Battle, Cynthia (Cynthia.Battle@ed.gov)'
Cc: (b)(4); (b)(6)
Subject: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)
Importance: High

Good Afternoon,
Thank you again for the meeting yesterday pertaining to questions we had on CR2785. I am following up on two follow-up items as a result of that meeting. Please see the items and details below:

(b)(5)

(b)(4); (b)(6)

Thank you,

(b)(4); (b)(6)

(b)(4); (b)(6) Manager – Servicing Operations
☎ (b)(6) | Mobile (b)(6) | F: (b)(6) | ✉ @glhec.org
Great Lakes Educational Loan Services, Inc.

The information contained in this communication may be confidential, is intended only for the use of the recipient(s) named above, and may be protected under state or federal law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication, or any of its contents, is strictly prohibited. If you have received this communication in error, please forward the communication to notme@glhec.org immediately and destroy or delete the original message and any copy of it from your computer system. If you have any questions concerning this message, please contact the sender.

From: Bubel, Susan
Sent: 9 Feb 2015 15:21:17 -0600
To: Jackson, Lateata;Battle, Cynthia;Foss, Ian;Oldre, Lisa;Meadows, Kim
Subject: RE: Status From Our Clarification meeting on CR 2785

(b)(5)

Thanks,
Sue

From: Jackson, Lateata
Sent: Monday, February 09, 2015 4:10 PM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Oldre, Lisa; Meadows, Kim
Subject: Status From Our Clarification meeting on CR 2785

From out meeting last week with the contractors can you please heck my understanding below:
2/6 – Additional questions are due from the contractors
2/13 – FSA to provide Q&A answers, revised Job Aid (did we need to revise the CR??)
2/20 – assessments are due from the contractors
FSA is going to revise the implementation date. I suggested 5/1 but that may not be enough time for some contractors. I would caution against implementing around the same time as interest rates change so maybe 6/1 would be a good middle ground?

La Teata Jackson
Change Management Division
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desk - (202)377-3269
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Saint Francis de Sales C.O.

From: Foss, Ian
Sent: 2 Nov 2015 14:24:42 +0000
To: (b)(6) @AmreinFinancial.com'
Subject: RE: Student Loan Capitalization Rules
Attachments: Capitalization.pptx

Hi Fred,
Here you go.
Ian

From: (b)(6) [mailto: (b)(6) @AmreinFinancial.com]
Sent: Monday, November 02, 2015 9:16 AM
To: Foss, Ian
Subject: Student Loan Capitalization Rules

Ian,
Hope all is well and I am looking forward to your presentations next month.
I have a quick question on the IDR student loan capitalization rules. Is there a document or table that list the different rules on interest capitalization by method. I know each are different and I wanted to understand the details. If you can be of any help that would be great.
Have a great day,

(b)(6)

Interest Capitalization

IBR

- While payment is income-based, normal rules are suspended
- While normal rules suspended, only trigger is conversion to standard plan amount
- Interest capitalizes when leaving the plan

ICR

- Normal rules apply (upon expiration of deferment/forbearance)
- Interest accruing due to negative amortization is capitalized annually
- Capitalization of negative amortization interest is limited to 10% of balance

PAYE

- While payment is income-based, normal rules are suspended
- While normal rules suspended, only trigger is conversion to standard plan amount
- Capitalization caused by conversion is limited to 10% of balance
- Interest capitalizes when leaving the plan

REPAYE

- Normal rules apply (upon expiration of deferment or forbearance)
- Interest capitalizes wen leaving the plan

From: (b)(6)
Sent: 2 Nov 2015 09:38:11 -0500
To: Foss, Ian
Subject: RE: Student Loan Capitalization Rules

Ian,
Thanks so much.
Fred

From: Foss, Ian [mailto:Ian.Foss@ed.gov]
Sent: Monday, November 02, 2015 9:25 AM
To: (b)(6)@AmreinFinancial.com
Subject: RE: Student Loan Capitalization Rules

Hi Fred,
Here you go.
Ian

From: (b)(6) [mailto:(b)(6)@AmreinFinancial.com]
Sent: Monday, November 02, 2015 9:16 AM
To: Foss, Ian
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Have a great day,

(b)(6)

From: Foss, Ian
Sent: 19 Jun 2017 17:20:32 +0000
To: (b)(6)
Subject: RE: Student Loan Repayment

Hello (b)(6)

Please see below, in red, for specific responses to your questions. I would also suggest that you submit feedback into our system regarding your interactions with your loan servicer. You may do so by visiting this site.

I'll also say, by way of disclaimer, that the information I provide below pertains to Direct Loans and FFEL Program Loans. Unless I specifically bring them up below, this information may be different with regard to Perkins Loans.

If you have further questions, please visit any relevant links that I included in the text of my response. We provide a wealth of information on our website.

Ian Foss

From: (b)(6) [mailto (b)(6) @gmail.com]
Sent: Monday, 12 June, 2017 14:59
To: Foss, Ian
Subject: Student Loan Repayment

Hi Mr. Foss,

My name is (b)(6) and I am a recent graduate of the (b)(6) College of Medicine. I received your contact information from (b)(6) after receiving inaccurate information from my loan servicer in response to questions I had regarding loan repayments. Any light you can shed on the questions below is very much appreciated!

How often does interest accrue, and when does capitalization occur? When I contacted my loan servicer, I was informed that interest accrues daily but never capitalizes, which I have been since learned is incorrect.
First, interest accrues daily. Interest will capitalize at a few different points. The first point is when your loans enter repayment for the first time (following your grace period). The second point is when, if ever, your loans exit a deferment or forbearance. The third time depends on which repayment plan you enter. If you enter an income-driven repayment plan, interest will capitalize if you choose to leave the plan you're in, or if you fail to annually update your loan servicer with income information.
Are first year repayments based on your present income or AGI from the previous year? I had been told prior to speaking with my loan servicer that payments were based on your income from the previous year and filed taxes accordingly; however, when I contacted Navient, I was informed that I would have to wait to receive paychecks in order to determine a repayment amount, as it is based on present income, even if I were to consolidate earlier.

If you enter an income-driven repayment plan, whether you provide AGI from the previous year or more updated documentation (usually called "alternative documentation of income") depends on how you answer questions on the application. You will be asked whether you have filed taxes or not. If you have, you will then be asked if your income has significantly changed when you filed your last tax return. If you say no, then your payment will be based on your prior year's AGI. If you say yes, then your payment will be based on more updated documentation that you will provide. This is the same each year that you are in an income-driven plan, and is therefore no different depending on whether you are applying your first year out of school, or at any point later.

When making payments, are borrowers allowed to specify whether the payment goes toward the principal or interest, or toward a specific loan? I was informed by Navient that payments are distributed equally toward all loans and that I am not permitted to specify what the payment goes toward (either principal vs interest, or specific loan). I was also told that payments toward the principal can only be made once interest is paid in full and therefore any payments made, even those in excess of the required amount, would automatically be credited toward the outstanding interest.

Before any payment can satisfy principal on a given loan, all outstanding interest must first be satisfied. Therefore, you do not have the flexibility to request that a specific payment be allocated to "principal". Let's say you make a $100 payment and $50 of interest is outstanding. $50 of the $100 payment will go to interest, and the remaining $50 will go to principal. Using my example, a request to apply the entire $100 payment to principal will not be honored. Frequently, when people say that they want a payment to "go to principal", they are paying in excess of what they are required to pay each month, and what they really means is ONLY apply the excess amount to principal. Only is in all capital letters because typically, when you pay in excess of what you are required to pay each month not only is the excess amount going to go to principal (if all outstanding interest has been satisfied), but the excess amount will, by default and at most servicers, lower the amount that you have to pay in the next month (or months). Now, all of the excess payment would have been applied to the loan immediately; it really just affects your future payment obligations. If you do not want excess payments to affect the amount you are obligated to pay in future months, you are free to specify this to your loan servicer following the instructions they have set out for providing such instructions. I believe Navient will prompt you to make this type of election when you make a payment online, if the amount you're paying is in excess of the amount currently due on the loan.

As for whether you have the option to specify which loan a payment goes towards, loan servicers frequently prorate payments up to the amount due across all loans, and then allow you to specify, after you have satisfied your monthly payment amount, target excess payments towards particular loans.

Regarding consolidation, would I be able to consolidate my direct loans but not the Perkins loans? How is the new interest rate calculated? Are there other benefits to consolidation aside from being able to bypass the grace period? What are the potentially negative consequences to be aware of when considering consolidating your loans?

You can consolidate any of the loans that you choose. You can consolidate your Direct or FFEL Program Loans, and not your Perkins Loans, if you wish. The interest rate on a consolidation loan is the weighted average of the rates on the loans that you consolidated, rounded up to the nearest 1/8th of a percentage point. In terms of the pros and cons of consolidation, we list them on our website. And obvious con for you, given that you appear to have Perkins Loans, is that

they would become unsubsidized and would lose their cancellation benefits, but that wouldn't affect any other federal student loans you choose to consolidate.

What specialties qualify for the Public Service Loan Forgiveness program? (b)(6)

(b)(6)

(b)(6) and want to verify that both are eligible before applying for the program.

The Public Service Loan Forgiveness Program doesn't consider your occupation; instead, it considers your employer. Qualifying employers include all US-based government organizations, 501(c)(3) not-for-profit organizations, and certain other not-for-profit organizations whose primary purpose is to provide designated public services.

If I begin in the REPAYE program and decide to switch to another income-based program later, would the previous REPAYE payments qualify toward PSLF? Or there any other consequences, such as capitalization of interest? And if PSLF is eliminated, how would this impact my loan payments? Would I be grandfathered into the program, or would I be responsible for the remainder of the loan repayments regardless of having been in the program?

If you make a qualifying payments towards PSLF, under any repayment plan, changing repayment plans does not cause you to lose credit for the qualifying payment you already made. So, if you made 12 qualifying payments towards PSLF under REPAYE, and then switch to PAYE, you still have 12 qualifying payments towards PSLF. As I indicated above, leaving any income-driven repayment plan, including REPAYE, results in the capitalizations of interest.

As for the future of PSLF, we cannot, and never have provided any guarantees regarding the future availability of PSLF. Congress created the PSLF, and, while it would take Congressional action to end the program, Congress could, in fact, do so. If they did, it is not clear whether they would grandfather in borrowers who are interested in PSLF (perhaps documented by submitting the Employment Certification Form), borrowers who took out loans prior to a certain date, or any borrowers at all.

I apologize for the number of questions, and appreciate any information you can share with me! I just wanted to make sure that I had the information that I need in order to make decisions on which income-based repayment program to enroll in and whether PSLF would be an appropriate option, and did not feel that I was getting such information from my loan servicer. Thank you again!

Best,

(b)(6)

From: Johnson, Amber
Sent: 5 May 2017 14:07:46 +0000
To: Foss, Ian
Subject: RE: Switching IDR plans consequences to the length of the term.

This may be the first straightforward answer I've gotten in 2017!

Thanks again and happy Friday!

From: Foss, Ian
Sent: Friday, May 05, 2017 9:58 AM
To: Johnson, Amber
Subject: RE: Switching IDR plans consequences to the length of the term.

Hi Amber,

This actually has a straightforward answer!

When borrower switch between IDR plans, payments made on any IDR plan count towards forgiveness/the repayment period under any other IDR plan. So, using the school's example, when switching to PAYE from REPAYE, the REPAYE payments will count towards PAYE forgiveness (assuming the borrower is PAYE-eligible)—in this case, 17 years would be remaining to forgiveness in PAYE (20 years for PAYE less the 3 years from REPAYE).

Also, moving from REPAYE to PAYE is a capitalization event.

Ian

From: Johnson, Amber
Sent: Friday, 05 May, 2017 9:21
To: Foss, Ian
Subject: FW: Switching IDR plans consequences to the length of the term.

Good morning Ian—
I hope you are doing well, it's been a while!

I was hoping you can help me out with this loan/repayment plan question that I received from a school. Any thoughts would be appreciated.

Thanks!

From (b)(6) [mailto (b)(6) @email.gwu.edu]
Sent: Friday, May 05, 2017 9:06 AM
To: Johnson, Amber; Rorie, Craig
Subject: Switching IDR plans consequences to the length of the term.

Good morning!

A student, who is engaged, asked about starting in REPAYE to get the marriage tax benefit as he had his future wife will be low earners for a few years, and also get the 50% negative amortization of interest benefit. After this, when their salaries will surely triple or quadruple, they want to switch to PAYE and take advantage of filing taxes separately, the cap on capitalization and the cap on payments at the standard 10 year payment amount. SO Here is the question about if there is a change in the term of the loan when switching plans:

If they make payments for three years on REPAYE if they change to PAYE will they only have 17 years left to pay (instead of the 22 they would have with REPAYE) or does the time start over, as it would if they consolidated their loans at year three?

Also, just to confirm, they will experience capitalization in switching between plans, too?

Thanks for your help!

(b)(6)

(b)(6) MA, MBA
Director, Financial Aid

The George Washington University
School of Medicine and Health Sciences
2300 I St. NW, Suite 106
Washington, DC 20052
(b)(6)
fax 202.994.9488
(b)(6) @gwu.edu

"Comparison is the thief of joy" (T. Roosevelt); don't measure your happiness or well being by another person's success or failure.

Students must include their GW ID with all correspondence.

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From: Bubel, Susan
Sent: 10 Feb 2015 10:47:05 -0600
To: Battle, Cynthia;Foss, Ian;Jackson, Lateata;Porter, Larry;Meadows, Kim
Subject: RE: Test Case Scenarios for 2785
Attachments: FW: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015, FW: Aspire Scenario for FSA CR 2785 Requirement Clarification, FW: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

I also wanted to share the scenarios we have received from the Servicers we may want to include in validation (sense they are questioning) .

Thanks, << File: CR 2785 Requirements Checklist Attachment 020415.xlsx >>

Sue

-----Original Appointment-----
From: Bubel, Susan
Sent: Tuesday, February 10, 2015 11:31 AM
To: Bubel, Susan; Battle, Cynthia; Foss, Ian; Jackson, Lateata; Porter, Larry; Meadows, Kim
Subject: Test Case Scenarios for 2785
When: Wednesday, February 11, 2015 4:00 PM-5:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Dial in : (b)(6) PC (b)(6) in person : WDCUCP-T-62D7

Can we get together to discuss the test case scenarios we want to provide the Servicers for this release. Here is the initial draft I had. Please bring your ideas/ scenarios we don't want to go over 20.

Thanks,
Sue << File: CR 2785 Requirements Checklist Attachment 020415.xlsx >>

From: Jackson, Lateata
Sent: 9 Feb 2015 08:37:53 -0600
To: Bubel, Susan;Battle, Cynthia
Subject: FW: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Attachments: Neg Am Capping.xlsx

Additional questions from Navient

From: (b)(4); (b)(6) [mailto: (b)(4); (b)(6) @navient.com]
Sent: Friday, February 06, 2015 2:53 PM
To: Jackson, Lateata
Cc: Washington, Patrice
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Lateata,
Navient has reviewed the job aides and the requirements and we have a request for a few clarification items:

(b)(5)

Please let us know if you have any questions on the attached or any of our clarification requests.

Thank you
(b)(4); (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, February 04, 2015 11:01 AM
To: (b)(4); (b)(6) Battle, Cynthia; (b)(4); (b)(6) Brown, Lenny; (b)(4); (b)(6) (b)(4); (b)(6) Smith, Lynn; (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) Oldre, Lisa; Foss, Ian; Meadows, Kim; Ratchford, Sabrina; (b)(4); (b)(6) Washington, Patrice; (b)(4); (b)(6) Connelly, Tammy
Cc: (b)(4); (b)(6) (b)(4); (b)(6)
Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

All,

Attached is a compilation of the questions received by FSA to discuss at our meeting this afternoon.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Federal Student Aid

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Saint Francis de Sales C.O.

This E-Mail has been scanned for viruses.

Scenario 1

Proposed Changes - Neg Am Cap Effective back to 7/1 retroactively

Loan goes in to Neg AM ICR as of 1/1/15									
Effective Date	Status	PBO	Days	Rate	Action	Amount	Outstanding Interest		Comments
							Neg Am	Regular	
1/1/2015	RPMT	$ 20,000.00	0	7.25			$ -	$ -	
5/1/2015	RPMT	$ 20,000.00	120	7.25	Accrual	$ 476.39	$ 476.39	$ -	
Loan goes in to Deferment on 5/1/15 for 6 months									
7/1/2015	Deferment	$ 20,000.00	61	7.25	Accrual	$ 242.16	$ 476.39	$ 242.16	Neg AM Interest as of 06/30 is $59.55
8/1/2015	Deferment	$ 20,000.00	31	7.25	Accrual	$ 123.07	$ 476.39	$ 365.23	
8/1/2015	Deferment	$ 20,000.00	0	7.25	Payment	$ (300.00)	$ 176.39	$ 365.23	Payment pays down $141.96 in Interest and 158.04 in principal
11/1/2015	Deferment	$ 20,000.00	92	7.25	Accrual	$ 365.23	$ 176.39	$ 730.46	
Loan ages into repayment on 11/01/15 and Caps Regular interest of $730.46									
11/1/2015	RPMT	$ 20,730.46	0	7.25		$ -	$ 176.39	$ -	

Recalculated balances after retroactive 7/01 Neg Am CAP									
7/1/2015	Deferment	$ 20,000.00	0	7.25	Accrual	$ -	$ 476.39	$ 242.16	
7/1/2015* Retro posting	Deferment	$ 20,176.39	0	7.25	Retro Cap	$ (176.39)	$ 300.00	$ 242.16	Cap posted retroactively
8/1/2015	Deferment	$ 20,176.39	31	7.25	Accrual	$ 124.15	$ 300.00	$ 366.31	Accrual on new principal
8/1/2015	Deferment	$ 20,176.39	0	7.25	Payment	$ (300.00)	$ -	$ 366.31	
11/1/2015	Deferment	$ 20,176.39	92	7.25	Accrual	$ 368.45	$ -	$ 734.76	
Loan ages into repayment and Caps Regular interest of $734.76									
11/1/2015	RPMT	$ 20,911.15	0	7.25		$ -	$ -	$ -	

Current Way of Processing - Cap Efffective Deferment End Date

Loan goes in to Neg AM ICR as of 1/1/15								
Effective Date	Status	PBO	Days	Rate	Action	Amount	Outstanding Interest	
							Neg Am	Regular
1/1/2015	RPMT	$ 20,000.00	0	7.25			$ -	$ -
5/1/2015	RPMT	$ 20,000.00	120	7.25	Accrual	$ 476.39	$ 476.39	$ -
Loan goes in to Deferment on 5/1/15 for 6 months								
7/1/2015	Deferment	$ 20,000.00	61	7.25	Accrual	$ 242.16	$ 476.39	$ 242.16
8/1/2015	Deferment	$ 20,000.00	31	7.25	Accrual	$ 123.07	$ 476.39	$ 365.23
8/1/2015	Deferment	$ 20,000.00	0	7.25	Payment	$ (300.00)	$ 176.39	$ 365.23
11/1/2015	Deferment	$ 20,000.00	92	7.25	Accrual	$ 365.23	$ 176.39	$ 730.46
Loan ages into repayment on 11/01/15 and Caps Regular interest of $730.46 and Neg Am Int of $176.39								
11/1/2015	RPMT	$ 20,906.84	0	7.25		$ -	$ 176.39	$ -

New proposed method results in more PBO at the end of Deferment

Scenario 2

Loan goes in to Neg AM ICR as of 5/1/15									
Effective Date		PBO	Days	Rate	Action	Amount	Outstanding Interest		
							Neg Am	Regular	
5/1/2015	RPMT	$ 20,000.00	0	7.25			$ -	$ -	
7/1/2015	RPMT	$ 20,000.00	61	7.25	Accrual	$ 242.16	$ 242.16	$ -	Neg AM Interest as of 06/30 is $242.16
7/25/2015	RPMT	$ 20,000.00	24	7.25	Accrual	$ 95.28	$ 337.44	$ -	
Loan goes in to Deferment on 07/25 for 6 months									
9/25/2015	Deferment	$ 20,000.00	62	7.25	Accrual	$ 246.13	$ 337.44	$ 246.13	
9/25/2015	Deferment	$ 20,000.00	0	7.25	Payment	$ (100.00)	$ 237.44	$ 246.13	
1/25/2016	Deferment	$ 20,000.00	122	7.25	Accrual	$ 484.33	$ 237.44	$ 730.46	
Loan ages into Repayment on 01/25									

What amount of Neg Am interest should cap on 1/25/16? Should it be $237.44 or $142.16?
If a payment retroactively posts effective 01/20 (during deferment) on 01/30, should the 06/30 CAP be re-evaluated?
If the deferment is shortened to end on 09/01/15 before the payment is applied, should the Neg Am cap be re-evaluated accordingly?
If back to back statuses cover 2 consecuting 06/30 dates, what should be the effective date of the cap after the loan ages into repayment?

From: Jackson, Lateata
Sent: 9 Feb 2015 08:36:15 -0600
To: Bubel, Susan;Battle, Cynthia
Subject: FW: Aspire Scenario for FSA CR 2785 Requirement Clarification

Additional questions from Aspire

From: (b)(4); (b)(6) - Aspire [mailto:(b)(4); (b)(6)@aspireresourcesinc.com]
Sent: Friday, February 06, 2015 3:14 PM
To: Jackson, Lateata
Cc: Ratchford, Sabrina; FSASupport - Aspire Resources; (b)(4); (b)(6) Aspire; (b)(4); (b)(6) (b)(4); Aspire; (b)(4); (b)(6) Voelker - Aspire; (b)(4); (b)(6)
Subject: Aspire Scenario for FSA CR 2785 Requirement Clarification

Aspire has one scenario we would like clarification on. Please see below. Thank you.

(b)(5)

(b)(4); (b)(6)

(b)(4); (b)(6) *Aspire*
Aspire Resources Inc. | Policy and Procedure Administrator | phone (b)(6) | fax (b)(6) |
@aspireresourcesinc.com

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From: Jackson, Lateata
Sent: 9 Feb 2015 08:35:20 -0600
To: Bubel, Susan;Battle, Cynthia
Subject: FW: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015
Attachments: CR 2785 - Scenarios - Nelnet.docx

Additional questions from Nelnet.

From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @nelnet.net]
Sent: Friday, February 06, 2015 5:14 PM
To: Jackson, Lateata
Cc: Washington, Patrice; Connelly, Tammy; (b)(4); (b)(6)
Subject: RE: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

Good Afternoon,

(b)(5)

Please let us know if you have any questions.

Thank you,

(b)(4); (b)(6)
FSA Account Manager
Nelnet | Education Planning & Financing
Lincoln, Nebraska
Telephone (b)(6)
Cell: (b)(6)

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, February 04, 2015 10:01 AM
To: (b)(4); (b)(6) (VSAC); (b)(4); (b)(6) Battle, Cynthia; (b)(4); (b)(6) (OSLA); Brown, Lenny; (b)(4); (b)(6) (EDFINANCIAL); (b)(4); (b)(6) (OSLA); (b)(4); (b)(6) (VSAC); (b)(4); (b)(6) Smith, Lynn; (b)(4); (b)(6) (GSMR); (b)(4); (b)(4); (b)(6) OSLA CM Email; (b)(4); (b)(6) Edfinancial); (b)(4); (b)(6) Bubel, Susan; (b)(4); (b)(6) (b)(4); (b)(6) Leavitt, Katharine; (b)(4); (b)(6) (OSLA); EdFinancial CM Email; (b)(4); (b)(6) ; Oldre, Lisa; Foss, Ian; Meadows, Kim; Ratchford, Sabrina; (b)(4); (b)(6) (b)(4); (b)(6) (OSLA); (b)(4); (b)(6) Washington, Patrice; (b)(4); (b)(6) Connelly, Tammy
Cc: (b)(4); (b)(6)
(b)(4); (b)(6)

(b)(4); (b)(6)

Subject: CR 2785 - Requirement Clarification for CR 1492 Revised 01/26/2015

All,

Attached is a compilation of the questions received by FSA to discuss at our meeting this afternoon.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269



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Page 2727

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(b)(5)

of the Freedom of Information and Privacy Act

Page 2728

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Page 2729

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Page 2734

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of the Freedom of Information and Privacy Act

Page 2735

Withheld pursuant to exemption

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of the Freedom of Information and Privacy Act

From: (b)(4); (b)(6)
Sent: 3 Feb 2017 15:33:49 +0000
To: Jackson, Lateata
Cc: Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Bubel, Susan;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Washington, Patrice;Smith, Lynn;Pilant, Nicholas;Brown, Lenny;Ratchford, Sabrina;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina(b)(4); (b)(6)
Subject: RE: Upcoming Tasks for CR 2785 & CR 3835 for Nelnet, EdFinancial, Granite State and OSLA

Good morning La Teata,

(b)(4); (b)(6)

The schedule for CR2785 Phase 2 and CR3835, outlined below for Granite State is acceptable. A meeting invite for the walkthrough will be sent later this morning.

Thank you,

(b)(4); (b)(6)
Business Systems Analyst II
Granite State Management & Resources
The NHHEAF Network Organizations
3 Barrell Court
Concord, NH 03301
(b)(6)
(b)(6)
(b)(4); (b)(6) @gsmr.org
www.gsmr.org

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, February 01, 2017 3:52 PM
To: (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6) (b)(4); (b)(6) OSLA CM Email ; (b)(4); (b)(6)
Cc: Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; DOE - Lisa Oldre; Walsh, Mark; Washington, Patrice; Smith, Lynn; Pilant, Nicholas; Brown, Lenny; Ratchford, Sabrina; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Subject: RE: Upcoming Tasks for CR 2785 & CR 3835 for Nelnet, EdFinancial, Granite State and OSLA

Please also include:

Leavitt, Katharine - Katharine.Leavitt@ed.gov
Mitchell, Shayla - Shayla.Mitchell@ed.gov
McDonald, Katrina - Katrina.McDonald@ed.gov

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

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From: Jackson, Lateata
Sent: Wednesday, February 01, 2017 3:42 PM
To: (b)(4); (b)(6) @gsmr.org; (b)(4); (b)(6) EdFinancial CM Email; (b)(4); (b)(6)
OSLA CM Email ; (b)(4); (b)(6)
Cc: Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Bubel, Susan; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Washington, Patrice; Smith, Lynn; Pilant, Nicholas; Brown, Lenny; Ratchford, Sabrina
Subject: Upcoming Tasks for CR 2785 & CR 3835 for Nelnet, EdFinancial, Granite State and OSLA

Below is the schedule for the upcoming deliverables for CR 2785 & CR 3835. Please confirm that these dates work for your calendars and send, this week, an invite to the below FSA team members for the FSA walkthrough. Further, when you send your artifacts **for this CR only** to the CM_Validation@ed.gov mailbox please copy these same team members:

- CM_Validation CM_Validation@ed.gov
- Jackson, Lateata Lateata.Jackson@ed.gov
- Yorkshire, Nikcola Nikcola.Yorkshire@ed.gov
- Kim, Bora Bora.Kim@ed.gov
- Foss, Ian Ian.Foss@ed.gov
- Battle, Cynthia Cynthia.Battle@ed.gov
- Chialastri, Taneka Taneka.Chialastri@ed.gov
- Oldre, Lisa Lisa.Oldre@ed.gov
- Walsh, Mark Mark.Walsh@ed.gov
- Bubel, Susan Susan.Bubel@ed.gov

CR 2785 Phase 2 & CR 3835 for Servicers

Servicer	Implementation Date	Artifact Delivery Date	FSA Walkthru

Nelnet	6/23/2017	5/24/2017 - 4pm est	5/31/2017 - 9am est
EdFinancial	6/23/2017	5/24/2017 - 4pm est	5/31/2017 - 1pm est
Granite State	6/23/2017	5/24/2017 - 4pm est	6/1/2017 - 9am est
OSLA	6/23/2017	5/24/2017 - 4pm est	6/1/2017 - 1pm est

Thank you,

La Teata Jackson
Change Management Division
Federal Student Aid
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From: Arnold, Nathan
Sent: 4 Nov 2015 02:10:07 +0000
To: Foss, Ian
Cc: Arnold, Nathan
Subject: RE: Update on FFEL rehab interest capitalization

That made me laugh way harder than it should have
Eh, say la vea

From: Foss, Ian
Sent: Tuesday, November 03, 2015 9:09 PM
To: Arnold, Nathan
Subject: Re: Update on FFEL rehab interest capitalization

How do you know that I wasn't use the term as a verb that means to "talk nonsense"?
English is difficult sometimes.

On Nov 3, 2015, at 21:05, Arnold, Nathan <Nathan.Arnold@ed.gov> wrote:

Also, "jibes."

From: Arnold, Nathan
Sent: Tuesday, November 03, 2015 9:02 PM
To: Foss, Ian
Cc: Arnold, Nathan
Subject: RE: Update on FFEL rehab interest capitalization

I figured. Thanks

From: Foss, Ian
Sent: Tuesday, November 03, 2015 4:55 PM
To: Arnold, Nathan
Subject: RE: Update on FFEL rehab interest capitalization

This jives with what she told me, for what it's worth.

From: Arnold, Nathan
Sent: Tuesday, November 03, 2015 4:08 PM
To: Foss, Ian; Weisman, Annmarie; McLarnon, Gail; Varnovitsky, Natasha; Burton, Vanessa; Scaniffe, Dawn; Siegel, Brian; McFadden, Elizabeth; Malawer, Hilary; Mahaffie, Lynn; Sydor, Katherine; Marinucci, Fred
Cc: Arnold, Nathan
Subject: Update on FFEL rehab interest capitalization

Hi all,
OPE wanted to provide a quick update on this morning's call since we committed to looking into whether we had previously published subregulatory guidance on this topic.

(b)(5)

(b)(5)

These two details may not affect our recommendation about adding this issue to the negotiated rulemaking agenda, but we wanted to update everyone in case it raises new issues.

Thanks,

Nathan Arnold
Office of Postsecondary Education
Policy, Planning, and Innovation
U.S. Department of Education
(202) 219-7134

From: Jackson, Lateata
Sent: 10 Mar 2016 16:16:19 +0000
To: Bubel, Susan
Cc: Battle, Cynthia;Foss, Ian;Chialastri, Taneka
Subject: RE: Updated Capitalization Requirements _Feb 2016_Workbook V01.01.xlsx

I can se3nd this 1 out.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269
Federal Student Aid
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From: Bubel, Susan
Sent: Thursday, March 10, 2016 10:52 AM
To: Jackson, Lateata
Cc: Battle, Cynthia; Foss, Ian; Chialastri, Taneka
Subject: Updated Capitalization Requirements _Feb 2016_Workbook V01.01.xlsx

Here is the updated workbook for this afternoon's meeting. Please distribute to the group.
Thanks,
Sue

From: (b)(4); (b)(6)
Sent: 1 Jun 2017 08:52:20 -0500
To: Jackson, Lateata;Service Desk;(b)(4); (b)(6) (b)(4); (b)(6) OSLA-CR(b)(4); (b)(6)
Cc: Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Subject: RE: URGENT - OSLA/FSA CR2785 Walkthrough for June 1, 2017

Good morning, La Teata! As we discussed, we shall reschedule this meeting for tomorrow, June 2, at 10 am – 12:00 pm Eastern. We will resend the meeting notice in a bit. Thanks!

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Thursday, June 01, 2017 7:16 AM
To: Service Desk;(b)(4); (b)(6) OSLA-CR; (b)(4); (b)(6)
Cc: Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Subject: URGENT - OSLA/FSA CR2785 Walkthrough for June 1, 2017
Importance: High

Unfortunately, FSA needs to reschedule this meeting. Could someone please contact me on the number below to reschedule?

Please accept our apologies for not providing advance notice of our need to reschedule. We just found out yesterday that we have a mandatory meeting that we all must attend.

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

FederalStudentAid

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Saint Francis de Sales C.O.

-----Original Appointment-----
From: OSLA OSLA [mailto:servicedesk@osla.org]
Sent: Thursday, February 02, 2017 3:36 PM
To: OSLA OSLA; Jackson, Lateata; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan; Leavitt, Katharine; Mitchell, Shayla; McDonald, Katrina
Subject: FW: FSA CR2785
When: Thursday, June 01, 2017 12:00 PM-1:00 PM (UTC-06:00) Central Time (US & Canada).
Where: https://osla.webex.com/osla

-----Original Appointment-----
From: OSLA OSLA [mailto:servicedesk@osla.org]
Sent: Thursday, February 02, 2017 3:36 PM
To: OSLA OSLA; Jackson, Lateata
Subject: FSA CR2785
When: Thursday, June 01, 2017 12:00 PM-1:00 PM Central Time.
Where: https://osla.webex.com/osla

Join WebEx meeting
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From: Jackson, Lateata
Sent: 12 Jan 2017 20:13:21 +0000
To: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org);(b)(4); (b)(6) CornerStone CM Box;(b)(4); (b)(6) (b)(4); (b)(6)
Cc: Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan
Subject: RE REVISED - CR 2785 Final Phase Date Changes for PHEAA and NFPs

Thank you all again for working with us to further change the walkthrough dates due to the impending Martin Luther King, Jr and Inauguration holidays. As I mentioned on the phone and in the previous email, we will need your artifacts no later than 5pm eastern time on 1/16/17. Please see the updated schedule below. For this CR **only**, please send your artifacts to the following:

- CM_Validation CM_Validation@ed.gov
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- Kim, Bora Bora.Kim@ed.gov
- Foss, Ian Ian.Foss@ed.gov
- Battle, Cynthia Cynthia.Battle@ed.gov
- Chialastri, Taneka Taneka.Chialastri@ed.gov
- Oldre, Lisa Lisa.Oldre@ed.gov
- Walsh, Mark Mark.Walsh@ed.gov
- Bubel, Susan Susan.Bubel@ed.gov

CR 2785 Phase 2 for Servicers

Servicer	Implementation Date	Artifact Delivery Date	FSA Walkthru
PHEAA	1/28/2017	1/16/2017	1/23/2017 - 9am est
MOHELA	1/28/2017	1/16/2017	1/23/2017 - 1pm est
CornerStone	1/28/2017	1/16/2017	1/24/2017 - 9am est

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269

Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

From: Jackson, Lateata
Sent: Thursday, January 12, 2017 12:16 PM
To: (b)(4); (b)(6) PHEAACRs (PHEAACRs@pheaa.org); (b)(4); (b)(6)
(b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6)
Cc: 'Jackson\, Lateata'; Yorkshire, Nikcola; Kim, Bora; Foss, Ian; Battle, Cynthia; Chialastri, Taneka; Oldre, Lisa; Walsh, Mark; Bubel, Susan
Subject: REVISED - CR 2785 Final Phase Date Changes for PHEAA and NFPs

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- Foss, Ian Ian.Foss@ed.gov
- Battle, Cynthia Cynthia.Battle@ed.gov
- Chialastri, Taneka Taneka.Chialastri@ed.gov
- Oldre, Lisa Lisa.Oldre@ed.gov
- Walsh, Mark Mark.Walsh@ed.gov
- Bubel, Susan Susan.Bubel@ed.gov

CR 2785 Phase 2 for Servicers

Servicer	Implementation Date	Artifact Delivery Date	FSA Walkthru
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CornerStone	1/28/2017	1/16/2017 by 5pm est	1/23/2017 - 1pm est

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Saint Francis de Sales C.O.

From: Foss, Ian
Sent: 21 Oct 2015 10:45:54 -0400
To: Todoist Work
Subject: Review Interest Capitalization CAP <date today>
Attachments: NFR#6 ACES Incorrect Balances Interest Cap.doc, NFR#20 ACES Incorrect Loan Balances & Capitalized Interest.pdf

---

From: "Leavitt, Katharine" <Katharine.Leavitt@ed.gov>
Date: Tuesday, October 20, 2015 at 14:57
To: Ian Foss <Ian.Foss@ed.gov>
Cc: "Colantonio, Fran" <Fran.Colantonio@ed.gov>, "Mitchell, Shayla" <Shayla.Mitchell@ed.gov>
Subject: FW: Financial Statement NFR#6 ACES Incorrect Balances Interest due 10/22

Hi Ian,
Would you please review the Criteria section in this Notice of Finding and Recommendation?

(b)(5)

Please respond to me by COB 10/22.
Thank you,
Katharine Leavitt, CIA, CGAP
202-377-4057
Internal Controls Division, Financial Management Branch Chief
Federal Student Aid, an Office of the U.S. Department of Education
Proud sponsor of the American mind

From: Mack, Roland
Sent: Tuesday, October 20, 2015 10:55 AM
To: Leavitt, Katharine
Cc: Scott, Kimberly; Smith, Angela M.
Subject: Financial Statement NFR#6 ACES Incorrect Balances Interest Cap

Hello Katharine,
Please see the attached draft NFR#6 from CLA that identifies a repeat finding from FY14.
CLA has noted the following condition in regards to Credit Program Receivables - Direct Loans (ACES):

(b)(5)

Please review the draft NFR and indicate whether or not you concur with the findings noted therein.

1. If you do not concur with the finding and recommendation, please provide an explanation and/or support for the non-concurrence.
2. If you partially concur with the finding and recommendation, please indicate what part you concur with and what part you do not, and provide an explanation and/or support for the non-concurrence.
3. Provide any comments you may have as to the wording being used. If you have suggested changes to the wording CLA is using, return the draft NFR with your proposed changes in track change format.

Please respond to me with your comments by 10AM, Friday, October 23rd.

Please let me know if you have any questions.

Thanks,

Roland

Page 2749

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2750

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2751

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2752

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2754

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2755

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2756

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

Page 2757

Withheld pursuant to exemption

(b)(5)

of the Freedom of Information and Privacy Act

MANAGEMENT RESPONSE (as to factual content of finding (condition, criteria, cause & effect) and reasonableness of the initial recommendation noted herein):

(date to be determined, but due no later than 2 weeks after NFR Draft date): November 10, 2014

Do you concur with the finding and recommendation? Yes _X__ No ___

Do you partially concur with the finding and recommendation? Yes ____ No ___

Please provide an explanation and supporting documentation related to the nonoccurrence, so that we can consider that information.

(b)(6)

Anthony Laing, Director, Internal Controls Division — 11/5/14 Date

(b)(6)

Anthony Chavez, Director, Financial Management Group — 11/5/14 Date

From: Foss, Ian
Sent: 4 Mar 2016 21:40:26 +0000
To: TD - Work
Subject: Revise capitalization issue paper <date Monday>

Begin forwarded message:

From: "Foss, Ian" <Ian.Foss@ed.gov>
Date: March 4, 2016 at 16:40:04 EST
To: "McLarnon, Gail" <Gail.McLarnon@ed.gov>
Cc: "Hoblitzell, Barbara" <Barbara.Hoblitzell@ed.gov>, "Utz, Jon" <Jon.Utz@ed.gov>
Subject: Re: Word Versions of ED's Draft Proposed Regulatory Language from Session 2

(b)(5)

On Mar 4, 2016, at 16:38, McLarnon, Gail <Gail.McLarnon@ed.gov> wrote:

(b)(5)

From: Foss, Ian
Sent: Thursday, March 03, 2016 10:28 AM
To: McLarnon, Gail
Cc: Hoblitzell, Barbara; Utz, Jon
Subject: RE: Word Versions of ED's Draft Proposed Regulatory Language from Session 2

So, Jon and I came up with the attached.
However, Wanda raises another issue below. (b)(5)

(b)(5)

What do you think?

From: McLarnon, Gail
Sent: Thursday, February 25, 2016 8:20 AM

(b)(4); (b)(6)

To: Utz, Jon; Foss, Ian
Cc: Hoblitzell, Barbara
Subject: FW: Word Versions of ED's Draft Proposed Regulatory Language from Session 2

Can you guys take a look at her changes to issue paper #8. Thanks.

From: (b)(4); (b)(6) [mailto: @edfinancial.com]
Sent: Wednesday, February 24, 2016 6:39 PM
To: McLarnon, Gail
Subject: RE: Word Versions of ED's Draft Proposed Regulatory Language from Session 2

Hello! Not sure if you want this but I went ahead and made "nit" changes

(b)(5)

(b)(5) Let me know if what I'm saying doesn't make any sense.

(b)(5)

(b)(5 I can get to you by COB Friday since I leave Sunday on a two-week cruise. I get back on the 11th so Darin Katzberg will be our person while I'm gone.

(b)(5)

Thank you,

(b)(4); (b)(6)

From: McLarnon, Gail [mailto:Gail.McLarnon@ed.gov]
Sent: Wednesday, February 24, 2016 9:51 AM
To: (b)(4); (b)(6)

(b)(4); (b)(6)

(b)(4); (b)(6)

Cc: (b)(4); (b)(6) @comcast.net); Hoblitzell, Barbara

Subject: Word Versions of ED's Draft Proposed Regulatory Language from Session 2

Good morning, I hope this email finds you well. At the request of one of the negotiators, (b)(5)

(b)(5)

I look forward to seeing you in March.

Gail McLarnon
Senior Director, Policy Development, Analysis,
and Accreditation
Office of Postsecondary Education
Department of Education
202-219-7048
gail.mclarnon@ed.gov

From: Jackson, Lateata
Sent: 12 Jan 2017 17:16:31 +0000
To: (b)(4); (b)(6) ;PHEAACRs (PHEAACRs@pheaa.org);(b)(4); (b)(6) CornerStone CM Box; (b)(4); (b)(6) (b)(4); (b)(6)
Cc: Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Oldre, Lisa;Walsh, Mark;Bubel, Susan
Subject: REVISED - CR 2785 Final Phase Date Changes for PHEAA and NFPs

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- Foss, Ian Ian.Foss@ed.gov
- Battle, Cynthia Cynthia.Battle@ed.gov
- Chialastri, Taneka Taneka.Chialastri@ed.gov
- Oldre, Lisa Lisa.Oldre@ed.gov
- Walsh, Mark Mark.Walsh@ed.gov
- Bubel, Susan Susan.Bubel@ed.gov

CR 2785 Phase 2 for Servicers

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desk - (202)377-3269

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Saint Francis de Sales C.O.

From: (b)(4); (b)(6)
Sent: 14 Jul 2017 08:48:49 -0500
To: CM_Validation;Jackson, Lateata;Yorkshire, Nikcola;Kim, Bora;Foss, Ian;Battle, Cynthia;Chialastri, Taneka;Tessitore, Lisa;Walsh, Mark;Bubel, Susan;Leavitt, Katharine;Mitchell, Shayla;McDonald, Katrina
Cc: Brown, Lenny;Ratchford, Sabrina;Mahon, Karen;Reaves, Michelle;Allen, Heather;OSLA-CR; (b)(4); (b)(6)
Subject: Revised CR 2785/3835 OSLA Artifacts
Attachments: CR 2785-CR 3835 OS 1 of 1 07-14-17 Artifacts Rev 1.zip

Good Afternoon,

Attached are OSLA's revised artifacts for CR 2785/3835. The FSA assigned password was used to zip the files. Please let me know if you need anything else.

Thank you,

(b)(4); (b)(6)

(b)(4); (b)(6)
Servicing System Analyst
Oklahoma Student Loan Authority
525 Central Park Dr., Ste. 600 (73105)
P.O. Box 18145 (73154)
Oklahoma City, OK
Phone: (b)(6)
Fax: (b)(6)
www.osla.org

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From: (b)(4); (b)(6)
Sent: 3 May 2016 22:10:38 +0000
To: Bubel, Susan;Foss, Ian;Battle, Cynthia
Cc: (b)(4); (b)(6)
Subject: SCRA and Bankruptcy Neg Am Capitalized Interest (CR 2785)
Attachments: SCRA (3).pdf, Pages from SallieMaeConsentOrder.pdf
Importance: High

This message was encrypted before its transmission to your domain from GLHEC.ORG via TLS (Transport Layer Security). If the message contains sensitive personal information, it has been sent securely in accordance with corporate policy.

Good Afternoon,
Thank you again for the meeting yesterday pertaining to questions we had on CR2785. I am following up on two follow-up items as a result of that meeting. Please see the items and details below:

(b)(5)

Thank you,

(b)(4); (b)(6)
(b)(4); (b)(6) Manager – Servicing Operations
(b)(6) | Mobile (b)(6) | F: (b)(6) | (b)(4); (b)(6) glhec.org
Great Lakes Educational Loan Services, Inc.

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Public Law 108–189
108th Congress

An Act

To restate, clarify, and revise the Soliders' and Sailors' Civil Relief Act of 1940.

Dec. 19, 2003
[H.R. 100]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RESTATEMENT OF ACT.

The Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 501 et seq.) is amended to read as follows:

"SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Servicemembers Civil Relief Act'. 50 USC app. 501.

"(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

"Sec. 1. Short title; table of contents.
"Sec. 2. Purpose.

"TITLE I—GENERAL PROVISIONS

"Sec. 101. Definitions.
"Sec. 102. Jurisdiction and applicability of Act.
"Sec. 103. Protection of persons secondarily liable.
"Sec. 104. Extension of protections to citizens serving with allied forces.
"Sec. 105. Notification of benefits.
"Sec. 106. Extension of rights and protections to Reserves ordered to report for military service and to persons ordered to report for induction.
"Sec. 107. Waiver of rights pursuant to written agreement.
"Sec. 108. Exercise of rights under Act not to affect certain future financial transactions.
"Sec. 109. Legal representatives.

"TITLE II—GENERAL RELIEF

"Sec. 201. Protection of servicemembers against default judgments.
"Sec. 202. Stay of proceedings when servicemember has notice.
"Sec. 203. Fines and penalties under contracts.
"Sec. 204. Stay or vacation of execution of judgments, attachments, and garnishments.
"Sec. 205. Duration and term of stays; codefendants not in service.
"Sec. 206. Statute of limitations.
"Sec. 207. Maximum rate of interest on debts incurred before military service.

"TITLE III—RENT, INSTALLMENT CONTRACTS, MORTGAGES, LIENS, ASSIGNMENT, LEASES

"Sec. 301. Evictions and distress.
"Sec. 302. Protection under installment contracts for purchase or lease.
"Sec. 303. Mortgages and trust deeds.
"Sec. 304. Settlement of stayed cases relating to personal property.
"Sec. 305. Termination of residential or motor vehicle leases.
"Sec. 306. Protection of life insurance policy.
"Sec. 307. Enforcement of storage liens.
"Sec. 308. Extension of protections to dependents.

"TITLE IV—LIFE INSURANCE

"Sec. 401. Definitions.
"Sec. 402. Insurance rights and protections.
"Sec. 403. Application for insurance protection.
"Sec. 404. Policies entitled to protection and lapse of policies.
"Sec. 405. Policy restrictions.
"Sec. 406. Deduction of unpaid premiums.
"Sec. 407. Premiums and interest guaranteed by United States.
"Sec. 408. Regulations.
"Sec. 409. Review of findings of fact and conclusions of law.

"TITLE V—TAXES AND PUBLIC LANDS

"Sec. 501. Taxes respecting personal property, money, credits, and real property.
"Sec. 502. Rights in public lands.
"Sec. 503. Desert-land entries.
"Sec. 504. Mining claims.
"Sec. 505. Mineral permits and leases.
"Sec. 506. Perfection or defense of rights.
"Sec. 507. Distribution of information concerning benefits of title.
"Sec. 508. Land rights of servicemembers.
"Sec. 509. Regulations.
"Sec. 510. Income taxes.
"Sec. 511. Residence for tax purposes.

"TITLE VI—ADMINISTRATIVE REMEDIES

"Sec. 601. Inappropriate use of Act.
"Sec. 602. Certificates of service; persons reported missing.
"Sec. 603. Interlocutory orders.

"TITLE VII—FURTHER RELIEF

"Sec. 701. Anticipatory relief.
"Sec. 702. Power of attorney.
"Sec. 703. Professional liability protection.
"Sec. 704. Health insurance reinstatement.
"Sec. 705. Guarantee of residency for military personnel.
"Sec. 706. Business or trade obligations.

50 USC app. 502.

"SEC. 2. PURPOSE.

"The purposes of this Act are—

"(1) to provide for, strengthen, and expedite the national defense through protection extended by this Act to servicemembers of the United States to enable such persons to devote their entire energy to the defense needs of the Nation; and

"(2) to provide for the temporary suspension of judicial and administrative proceedings and transactions that may adversely affect the civil rights of servicemembers during their military service.

"TITLE I—GENERAL PROVISIONS

50 USC app. 511.

"SEC. 101. DEFINITIONS.

"For the purposes of this Act:

"(1) SERVICEMEMBER.—The term 'servicemember' means a member of the uniformed services, as that term is defined in section 101(a)(5) of title 10, United States Code.

"(2) MILITARY SERVICE.—The term 'military service' means—

"(A) in the case of a servicemember who is a member of the Army, Navy, Air Force, Marine Corps, or Coast Guard—

"(i) active duty, as defined in section 101(d)(1) of title 10, United States Code, and

"(ii) in the case of a member of the National Guard, includes service under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 502(f) of title 32, United States Code, for purposes of responding to a national emergency declared by the President and supported by Federal funds;

"(B) in the case of a servicemember who is a commissioned officer of the Public Health Service or the National Oceanic and Atmospheric Administration, active service; and

"(C) any period during which a servicemember is absent from duty on account of sickness, wounds, leave, or other lawful cause.

"(3) PERIOD OF MILITARY SERVICE.—The term 'period of military service' means the period beginning on the date on which a servicemember enters military service and ending on the date on which the servicemember is released from military service or dies while in military service.

"(4) DEPENDENT.—The term 'dependent', with respect to a servicemember, means—

"(A) the servicemember's spouse;

"(B) the servicemember's child (as defined in section 101(4) of title 38, United States Code); or

"(C) an individual for whom the servicemember provided more than one-half of the individual's support for 180 days immediately preceding an application for relief under this Act.

"(5) COURT.—The term 'court' means a court or an administrative agency of the United States or of any State (including any political subdivision of a State), whether or not a court or administrative agency of record.

"(6) STATE.—The term 'State' includes—

"(A) a commonwealth, territory, or possession of the United States; and

"(B) the District of Columbia.

"(7) SECRETARY CONCERNED.—The term 'Secretary concerned'—

"(A) with respect to a member of the armed forces, has the meaning given that term in section 101(a)(9) of title 10, United States Code;

"(B) with respect to a commissioned officer of the Public Health Service, means the Secretary of Health and Human Services; and

"(C) with respect to a commissioned officer of the National Oceanic and Atmospheric Administration, means the Secretary of Commerce.

"(8) MOTOR VEHICLE.—The term 'motor vehicle' has the meaning given that term in section 30102(a)(6) of title 49, United States Code.

"SEC. 102. JURISDICTION AND APPLICABILITY OF ACT. 50 USC app. 512.

"(a) JURISDICTION.—This Act applies to—

"(1) the United States;

"(2) each of the States, including the political subdivisions thereof; and

"(3) all territory subject to the jurisdiction of the United States.

"(b) APPLICABILITY TO PROCEEDINGS.—This Act applies to any judicial or administrative proceeding commenced in any court or agency in any jurisdiction subject to this Act. This Act does not apply to criminal proceedings.

"(c) COURT IN WHICH APPLICATION MAY BE MADE.—When under this Act any application is required to be made to a court in which no proceeding has already been commenced with respect to the matter, such application may be made to any court which would otherwise have jurisdiction over the matter.

50 USC app. 513.

"SEC. 103. PROTECTION OF PERSONS SECONDARILY LIABLE.

"(a) EXTENSION OF PROTECTION WHEN ACTIONS STAYED, POSTPONED, OR SUSPENDED.—Whenever pursuant to this Act a court stays, postpones, or suspends (1) the enforcement of an obligation or liability, (2) the prosecution of a suit or proceeding, (3) the entry or enforcement of an order, writ, judgment, or decree, or (4) the performance of any other act, the court may likewise grant such a stay, postponement, or suspension to a surety, guarantor, endorser, accommodation maker, comaker, or other person who is or may be primarily or secondarily subject to the obligation or liability the performance or enforcement of which is stayed, postponed, or suspended.

"(b) VACATION OR SET-ASIDE OF JUDGMENTS.—When a judgment or decree is vacated or set aside, in whole or in part, pursuant to this Act, the court may also set aside or vacate, as the case may be, the judgment or decree as to a surety, guarantor, endorser, accommodation maker, comaker, or other person who is or may be primarily or secondarily liable on the contract or liability for the enforcement of the judgment or decree.

"(c) BAIL BOND NOT TO BE ENFORCED DURING PERIOD OF MILITARY SERVICE.—A court may not enforce a bail bond during the period of military service of the principal on the bond when military service prevents the surety from obtaining the attendance of the principal. The court may discharge the surety and exonerate the bail, in accordance with principles of equity and justice, during or after the period of military service of the principal.

"(d) WAIVER OF RIGHTS.—

"(1) WAIVERS NOT PRECLUDED.—This Act does not prevent a waiver in writing by a surety, guarantor, endorser, accommodation maker, comaker, or other person (whether primarily or secondarily liable on an obligation or liability) of the protections provided under subsections (a) and (b). Any such waiver is effective only if it is executed as an instrument separate from the obligation or liability with respect to which it applies.

"(2) WAIVER INVALIDATED UPON ENTRANCE TO MILITARY SERVICE.—If a waiver under paragraph (1) is executed by an individual who after the execution of the waiver enters military service, or by a dependent of an individual who after the execution of the waiver enters military service, the waiver is not valid after the beginning of the period of such military service unless the waiver was executed by such individual or dependent during the period specified in section 106.

"SEC. 104. EXTENSION OF PROTECTIONS TO CITIZENS SERVING WITH ALLIED FORCES. 50 USC app. 514.

"A citizen of the United States who is serving with the forces of a nation with which the United States is allied in the prosecution of a war or military action is entitled to the relief and protections provided under this Act if that service with the allied force is similar to military service as defined in this Act. The relief and protections provided to such citizen shall terminate on the date of discharge or release from such service.

Termination date.

"SEC. 105. NOTIFICATION OF BENEFITS. 50 USC app. 515.

"The Secretary concerned shall ensure that notice of the benefits accorded by this Act is provided in writing to persons in military service and to persons entering military service.

"SEC. 106. EXTENSION OF RIGHTS AND PROTECTIONS TO RESERVES ORDERED TO REPORT FOR MILITARY SERVICE AND TO PERSONS ORDERED TO REPORT FOR INDUCTION. 50 USC app. 516.

"(a) RESERVES ORDERED TO REPORT FOR MILITARY SERVICE.—A member of a reserve component who is ordered to report for military service is entitled to the rights and protections of this title and titles II and III during the period beginning on the date of the member's receipt of the order and ending on the date on which the member reports for military service (or, if the order is revoked before the member so reports, or the date on which the order is revoked).

"(b) PERSONS ORDERED TO REPORT FOR INDUCTION.—A person who has been ordered to report for induction under the Military Selective Service Act (50 U.S.C. App. 451 et seq.) is entitled to the rights and protections provided a servicemember under this title and titles II and III during the period beginning on the date of receipt of the order for induction and ending on the date on which the person reports for induction (or, if the order to report for induction is revoked before the date on which the person reports for induction, on the date on which the order is revoked).

"SEC. 107. WAIVER OF RIGHTS PURSUANT TO WRITTEN AGREEMENT. 50 USC app. 517.

"(a) IN GENERAL.—A servicemember may waive any of the rights and protections provided by this Act. In the case of a waiver that permits an action described in subsection (b), the waiver is effective only if made pursuant to a written agreement of the parties that is executed during or after the servicemember's period of military service. The written agreement shall specify the legal instrument to which the waiver applies and, if the servicemember is not a party to that instrument, the servicemember concerned.

"(b) ACTIONS REQUIRING WAIVERS IN WRITING.—The requirement in subsection (a) for a written waiver applies to the following:

"(1) The modification, termination, or cancellation of—

"(A) a contract, lease, or bailment; or

"(B) an obligation secured by a mortgage, trust, deed, lien, or other security in the nature of a mortgage.

"(2) The repossession, retention, foreclosure, sale, forfeiture, or taking possession of property that—

"(A) is security for any obligation; or

"(B) was purchased or received under a contract, lease, or bailment.

"(c) COVERAGE OF PERIODS AFTER ORDERS RECEIVED.—For the purposes of this section—

"(1) a person to whom section 106 applies shall be considered to be a servicemember; and

"(2) the period with respect to such a person specified in subsection (a) or (b), as the case may be, of section 106 shall be considered to be a period of military service.

50 USC app. 518.

"SEC. 108. EXERCISE OF RIGHTS UNDER ACT NOT TO AFFECT CERTAIN FUTURE FINANCIAL TRANSACTIONS.

"Application by a servicemember for, or receipt by a servicemember of, a stay, postponement, or suspension pursuant to this Act in the payment of a tax, fine, penalty, insurance premium, or other civil obligation or liability of that servicemember shall not itself (without regard to other considerations) provide the basis for any of the following:

"(1) A determination by a lender or other person that the servicemember is unable to pay the civil obligation or liability in accordance with its terms.

"(2) With respect to a credit transaction between a creditor and the servicemember—

"(A) a denial or revocation of credit by the creditor;

"(B) a change by the creditor in the terms of an existing credit arrangement; or

"(C) a refusal by the creditor to grant credit to the servicemember in substantially the amount or on substantially the terms requested.

"(3) An adverse report relating to the creditworthiness of the servicemember by or to a person engaged in the practice of assembling or evaluating consumer credit information.

"(4) A refusal by an insurer to insure the servicemember.

"(5) An annotation in a servicemember's record by a creditor or a person engaged in the practice of assembling or evaluating consumer credit information, identifying the servicemember as a member of the National Guard or a reserve component.

"(6) A change in the terms offered or conditions required for the issuance of insurance.

50 USC app. 519.

"SEC. 109. LEGAL REPRESENTATIVES.

"(a) REPRESENTATIVE.—A legal representative of a servicemember for purposes of this Act is either of the following:

"(1) An attorney acting on the behalf of a servicemember.

"(2) An individual possessing a power of attorney.

"(b) APPLICATION.—Whenever the term 'servicemember' is used in this Act, such term shall be treated as including a reference to a legal representative of the servicemember.

"TITLE II—GENERAL RELIEF

50 USC app. 521.

"SEC. 201. PROTECTION OF SERVICEMEMBERS AGAINST DEFAULT JUDGMENTS.

"(a) APPLICABILITY OF SECTION.—This section applies to any civil action or proceeding in which the defendant does not make an appearance.

"(b) AFFIDAVIT REQUIREMENT.—

"(1) PLAINTIFF TO FILE AFFIDAVIT.—In any action or proceeding covered by this section, the court, before entering judgment for the plaintiff, shall require the plaintiff to file with the court an affidavit—

"(A) stating whether or not the defendant is in military service and showing necessary facts to support the affidavit; or

"(B) if the plaintiff is unable to determine whether or not the defendant is in military service, stating that the plaintiff is unable to determine whether or not the defendant is in military service.

"(2) APPOINTMENT OF ATTORNEY TO REPRESENT DEFENDANT IN MILITARY SERVICE.—If in an action covered by this section it appears that the defendant is in military service, the court may not enter a judgment until after the court appoints an attorney to represent the defendant. If an attorney appointed under this section to represent a servicemember cannot locate the servicemember, actions by the attorney in the case shall not waive any defense of the servicemember or otherwise bind the servicemember.

"(3) DEFENDANT'S MILITARY STATUS NOT ASCERTAINED BY AFFIDAVIT.—If based upon the affidavits filed in such an action, the court is unable to determine whether the defendant is in military service, the court, before entering judgment, may require the plaintiff to file a bond in an amount approved by the court. If the defendant is later found to be in military service, the bond shall be available to indemnify the defendant against any loss or damage the defendant may suffer by reason of any judgment for the plaintiff against the defendant, should the judgment be set aside in whole or in part. The bond shall remain in effect until expiration of the time for appeal and setting aside of a judgment under applicable Federal or State law or regulation or under any applicable ordinance of a political subdivision of a State. The court may issue such orders or enter such judgments as the court determines necessary to protect the rights of the defendant under this Act.

"(4) SATISFACTION OF REQUIREMENT FOR AFFIDAVIT.—The requirement for an affidavit under paragraph (1) may be satisfied by a statement, declaration, verification, or certificate, in writing, subscribed and certified or declared to be true under penalty of perjury.

"(c) PENALTY FOR MAKING OR USING FALSE AFFIDAVIT.—A person who makes or uses an affidavit permitted under subsection (b) (or a statement, declaration, verification, or certificate as authorized under subsection (b)(4)) knowing it to be false, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(d) STAY OF PROCEEDINGS.—In an action covered by this section in which the defendant is in military service, the court shall grant a stay of proceedings for a minimum period of 90 days under this subsection upon application of counsel, or on the court's own motion, if the court determines that—

"(1) there may be a defense to the action and a defense cannot be presented without the presence of the defendant; or

"(2) after due diligence, counsel has been unable to contact the defendant or otherwise determine if a meritorious defense exists.

"(e) INAPPLICABILITY OF SECTION 202 PROCEDURES.—A stay of proceedings under subsection (d) shall not be controlled by procedures or requirements under section 202.

"(f) SECTION 202 PROTECTION.—If a servicemember who is a defendant in an action covered by this section receives actual notice of the action, the servicemember may request a stay of proceeding under section 202.

"(g) VACATION OR SETTING ASIDE OF DEFAULT JUDGMENTS.—

"(1) AUTHORITY FOR COURT TO VACATE OR SET ASIDE JUDGMENT.—If a default judgment is entered in an action covered by this section against a servicemember during the servicemember's period of military service (or within 60 days after termination of or release from such military service), the court entering the judgment shall, upon application by or on behalf of the servicemember, reopen the judgment for the purpose of allowing the servicemember to defend the action if it appears that—

"(A) the servicemember was materially affected by reason of that military service in making a defense to the action; and

"(B) the servicemember has a meritorious or legal defense to the action or some part of it.

Deadline.

"(2) TIME FOR FILING APPLICATION.—An application under this subsection must be filed not later than 90 days after the date of the termination of or release from military service.

"(h) PROTECTION OF BONA FIDE PURCHASER.—If a court vacates, sets aside, or reverses a default judgment against a servicemember and the vacating, setting aside, or reversing is because of a provision of this Act, that action shall not impair a right or title acquired by a bona fide purchaser for value under the default judgment.

50 USC app. 522.

"SEC. 202. STAY OF PROCEEDINGS WHEN SERVICEMEMBER HAS NOTICE.

"(a) APPLICABILITY OF SECTION.—This section applies to any civil action or proceeding in which the defendant at the time of filing an application under this section—

"(1) is in military service or is within 90 days after termination of or release from military service; and

"(2) has received notice of the action or proceeding.

"(b) STAY OF PROCEEDINGS.—

"(1) AUTHORITY FOR STAY.—At any stage before final judgment in a civil action or proceeding in which a servicemember described in subsection (a) is a party, the court may on its own motion and shall, upon application by the servicemember, stay the action for a period of not less than 90 days, if the conditions in paragraph (2) are met.

"(2) CONDITIONS FOR STAY.—An application for a stay under paragraph (1) shall include the following:

"(A) A letter or other communication setting forth facts stating the manner in which current military duty requirements materially affect the servicemember's ability to appear and stating a date when the servicemember will be available to appear.

"(B) A letter or other communication from the servicemember's commanding officer stating that the servicemember's current military duty prevents appearance and that military leave is not authorized for the servicemember at the time of the letter.

"(c) APPLICATION NOT A WAIVER OF DEFENSES.—An application for a stay under this section does not constitute an appearance

for jurisdictional purposes and does not constitute a waiver of any substantive or procedural defense (including a defense relating to lack of personal jurisdiction).

"(d) ADDITIONAL STAY.—

"(1) APPLICATION.—A servicemember who is granted a stay of a civil action or proceeding under subsection (b) may apply for an additional stay based on continuing material affect of military duty on the servicemember's ability to appear. Such an application may be made by the servicemember at the time of the initial application under subsection (b) or when it appears that the servicemember is unavailable to prosecute or defend the action. The same information required under subsection (b)(2) shall be included in an application under this subsection.

"(2) APPOINTMENT OF COUNSEL WHEN ADDITIONAL STAY REFUSED.—If the court refuses to grant an additional stay of proceedings under paragraph (1), the court shall appoint counsel to represent the servicemember in the action or proceeding.

"(e) COORDINATION WITH SECTION 201.—A servicemember who applies for a stay under this section and is unsuccessful may not seek the protections afforded by section 201.

"(f) INAPPLICABILITY TO SECTION 301.—The protections of this section do not apply to section 301.

"SEC. 203. FINES AND PENALTIES UNDER CONTRACTS. 50 USC app. 523.

"(a) PROHIBITION OF PENALTIES.—When an action for compliance with the terms of a contract is stayed pursuant to this Act, a penalty shall not accrue for failure to comply with the terms of the contract during the period of the stay.

"(b) REDUCTION OR WAIVER OF FINES OR PENALTIES.—If a servicemember fails to perform an obligation arising under a contract and a penalty is incurred arising from that nonperformance, a court may reduce or waive the fine or penalty if—

"(1) the servicemember was in military service at the time the fine or penalty was incurred; and

"(2) the ability of the servicemember to perform the obligation was materially affected by such military service.

"SEC. 204. STAY OR VACATION OF EXECUTION OF JUDGMENTS, ATTACHMENTS, AND GARNISHMENTS. 50 USC app. 524.

"(a) COURT ACTION UPON MATERIAL AFFECT DETERMINATION.—If a servicemember, in the opinion of the court, is materially affected by reason of military service in complying with a court judgment or order, the court may on its own motion and shall on application by the servicemember—

"(1) stay the execution of any judgment or order entered against the servicemember; and

"(2) vacate or stay an attachment or garnishment of property, money, or debts in the possession of the servicemember or a third party, whether before or after judgment.

"(b) APPLICABILITY.—This section applies to an action or proceeding commenced in a court against a servicemember before or during the period of the servicemember's military service or within 90 days after such service terminates.

50 USC app. 525.

"SEC. 205. DURATION AND TERM OF STAYS; CODEFENDANTS NOT IN SERVICE.

"(a) PERIOD OF STAY.—A stay of an action, proceeding, attachment, or execution made pursuant to the provisions of this Act by a court may be ordered for the period of military service and 90 days thereafter, or for any part of that period. The court may set the terms and amounts for such installment payments as is considered reasonable by the court.

"(b) CODEFENDANTS.—If the servicemember is a codefendant with others who are not in military service and who are not entitled to the relief and protections provided under this Act, the plaintiff may proceed against those other defendants with the approval of the court.

"(c) INAPPLICABILITY OF SECTION.—This section does not apply to sections 202 and 701.

50 USC app. 526.

"SEC. 206. STATUTE OF LIMITATIONS.

"(a) TOLLING OF STATUTES OF LIMITATION DURING MILITARY SERVICE.—The period of a servicemember's military service may not be included in computing any period limited by law, regulation, or order for the bringing of any action or proceeding in a court, or in any board, bureau, commission, department, or other agency of a State (or political subdivision of a State) or the United States by or against the servicemember or the servicemember's heirs, executors, administrators, or assigns.

"(b) REDEMPTION OF REAL PROPERTY.—A period of military service may not be included in computing any period provided by law for the redemption of real property sold or forfeited to enforce an obligation, tax, or assessment.

"(c) INAPPLICABILITY TO INTERNAL REVENUE LAWS.—This section does not apply to any period of limitation prescribed by or under the internal revenue laws of the United States.

50 USC app. 527.

"SEC. 207. MAXIMUM RATE OF INTEREST ON DEBTS INCURRED BEFORE MILITARY SERVICE.

"(a) INTEREST RATE LIMITATION.—

"(1) LIMITATION TO 6 PERCENT.—An obligation or liability bearing interest at a rate in excess of 6 percent per year that is incurred by a servicemember, or the servicemember and the servicemember's spouse jointly, before the servicemember enters military service shall not bear interest at a rate in excess of 6 percent per year during the period of military service.

"(2) FORGIVENESS OF INTEREST IN EXCESS OF 6 PERCENT.—Interest at a rate in excess of 6 percent per year that would otherwise be incurred but for the prohibition in paragraph (1) is forgiven.

"(3) PREVENTION OF ACCELERATION OF PRINCIPAL.—The amount of any periodic payment due from a servicemember under the terms of the instrument that created an obligation or liability covered by this section shall be reduced by the amount of the interest forgiven under paragraph (2) that is allocable to the period for which such payment is made.

"(b) IMPLEMENTATION OF LIMITATION.—

Deadline.

"(1) WRITTEN NOTICE TO CREDITOR.—In order for an obligation or liability of a servicemember to be subject to the interest

rate limitation in subsection (a), the servicemember shall provide to the creditor written notice and a copy of the military orders calling the servicemember to military service and any orders further extending military service, not later than 180 days after the date of the servicemember's termination or release from military service.

"(2) LIMITATION EFFECTIVE AS OF DATE OF ORDER TO ACTIVE DUTY.—Upon receipt of written notice and a copy of orders calling a servicemember to military service, the creditor shall treat the debt in accordance with subsection (a), effective as of the date on which the servicemember is called to military service.

"(c) CREDITOR PROTECTION.—A court may grant a creditor relief from the limitations of this section if, in the opinion of the court, the ability of the servicemember to pay interest upon the obligation or liability at a rate in excess of 6 percent per year is not materially affected by reason of the servicemember's military service.

"(d) INTEREST.—As used in this section, the term 'interest' includes service charges, renewal charges, fees, or any other charges (except bona fide insurance) with respect to an obligation or liability.

"TITLE III—RENT, INSTALLMENT CONTRACTS, MORTGAGES, LIENS, ASSIGNMENT, LEASES

"SEC. 301. EVICTIONS AND DISTRESS. 50 USC app. 531.

"(a) COURT-ORDERED EVICTION.—

"(1) IN GENERAL.—Except by court order, a landlord (or another person with paramount title) may not—

"(A) evict a servicemember, or the dependents of a servicemember, during a period of military service of the servicemember, from premises—

"(i) that are occupied or intended to be occupied primarily as a residence; and

"(ii) for which the monthly rent does not exceed $2,400, as adjusted under paragraph (2) for years after 2003; or

"(B) subject such premises to a distress during the period of military service.

"(2) HOUSING PRICE INFLATION ADJUSTMENT.—(A) For calendar years beginning with 2004, the amount in effect under paragraph (1)(A)(ii) shall be increased by the housing price inflation adjustment for the calendar year involved.

"(B) For purposes of this paragraph—

"(i) The housing price inflation adjustment for any calendar year is the percentage change (if any) by which—

"(I) the CPI housing component for November of the preceding calendar year, exceeds

"(II) the CPI housing component for November of 1984.

"(ii) The term 'CPI housing component' means the index published by the Bureau of Labor Statistics of the Department of Labor known as the Consumer Price Index, All Urban Consumers, Rent of Primary Residence, U.S. City Average.

Federal Register, publication.

"(3) PUBLICATION OF HOUSING PRICE INFLATION ADJUSTMENT.—The Secretary of Defense shall cause to be published in the Federal Register each year the amount in effect under paragraph (1)(A)(ii) for that year following the housing price inflation adjustment for that year pursuant to paragraph (2). Such publication shall be made for a year not later than 60 days after such adjustment is made for that year.

Deadline.

"(b) STAY OF EXECUTION.—

"(1) COURT AUTHORITY.—Upon an application for eviction or distress with respect to premises covered by this section, the court may on its own motion and shall, if a request is made by or on behalf of a servicemember whose ability to pay the agreed rent is materially affected by military service—

"(A) stay the proceedings for a period of 90 days, unless in the opinion of the court, justice and equity require a longer or shorter period of time; or

"(B) adjust the obligation under the lease to preserve the interests of all parties.

"(2) RELIEF TO LANDLORD.—If a stay is granted under paragraph (1), the court may grant to the landlord (or other person with paramount title) such relief as equity may require.

"(c) PENALTIES.—

"(1) MISDEMEANOR.—Except as provided in subsection (a), a person who knowingly takes part in an eviction or distress described in subsection (a), or who knowingly attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES AND RIGHTS.—The remedies and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion (or wrongful eviction) otherwise available under the law to the person claiming relief under this section, including any award for consequential and punitive damages.

"(d) RENT ALLOTMENT FROM PAY OF SERVICEMEMBER.—To the extent required by a court order related to property which is the subject of a court action under this section, the Secretary concerned shall make an allotment from the pay of a servicemember to satisfy the terms of such order, except that any such allotment shall be subject to regulations prescribed by the Secretary concerned establishing the maximum amount of pay of servicemembers that may be allotted under this subsection.

"(e) LIMITATION OF APPLICABILITY.—Section 202 is not applicable to this section.

50 USC app. 532.

"SEC. 302. PROTECTION UNDER INSTALLMENT CONTRACTS FOR PURCHASE OR LEASE.

"(a) PROTECTION UPON BREACH OF CONTRACT.—

"(1) PROTECTION AFTER ENTERING MILITARY SERVICE.—After a servicemember enters military service, a contract by the servicemember for—

"(A) the purchase of real or personal property (including a motor vehicle); or

"(B) the lease or bailment of such property,

may not be rescinded or terminated for a breach of terms of the contract occurring before or during that person's military service, nor may the property be repossessed for such breach without a court order.

"(2) APPLICABILITY.—This section applies only to a contract for which a deposit or installment has been paid by the servicemember before the servicemember enters military service.

"(b) PENALTIES.—

"(1) MISDEMEANOR.—A person who knowingly resumes possession of property in violation of subsection (a), or in violation of section 107 of this Act, or who knowingly attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES AND RIGHTS.—The remedies and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any award for consequential and punitive damages.

"(c) AUTHORITY OF COURT.—In a hearing based on this section, the court—

"(1) may order repayment to the servicemember of all or part of the prior installments or deposits as a condition of terminating the contract and resuming possession of the property;

"(2) may, on its own motion, and shall on application by a servicemember when the servicemember's ability to comply with the contract is materially affected by military service, stay the proceedings for a period of time as, in the opinion of the court, justice and equity require; or

"(3) may make other disposition as is equitable to preserve the interests of all parties.

"SEC. 303. MORTGAGES AND TRUST DEEDS.

50 USC app. 533.

Applicability.

"(a) MORTGAGE AS SECURITY.—This section applies only to an obligation on real or personal property owned by a servicemember that—

"(1) originated before the period of the servicemember's military service and for which the servicemember is still obligated; and

"(2) is secured by a mortgage, trust deed, or other security in the nature of a mortgage.

"(b) STAY OF PROCEEDINGS AND ADJUSTMENT OF OBLIGATION.—In an action filed during, or within 90 days after, a servicemember's period of military service to enforce an obligation described in subsection (a), the court may after a hearing and on its own motion and shall upon application by a servicemember when the servicemember's ability to comply with the obligation is materially affected by military service—

"(1) stay the proceedings for a period of time as justice and equity require, or

"(2) adjust the obligation to preserve the interests of all parties.

"(c) SALE OR FORECLOSURE.—A sale, foreclosure, or seizure of property for a breach of an obligation described in subsection (a) shall not be valid if made during, or within 90 days after, the period of the servicemember's military service except—

"(1) upon a court order granted before such sale, foreclosure, or seizure with a return made and approved by the court; or

"(2) if made pursuant to an agreement as provided in section 107.

"(d) PENALTIES.—

"(1) MISDEMEANOR.—A person who knowingly makes or causes to be made a sale, foreclosure, or seizure of property that is prohibited by subsection (c), or who knowingly attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES.—The remedies and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including consequential and punitive damages.

50 USC app. 534.

"SEC. 304. SETTLEMENT OF STAYED CASES RELATING TO PERSONAL PROPERTY.

"(a) APPRAISAL OF PROPERTY.—When a stay is granted pursuant to this Act in a proceeding to foreclose a mortgage on or to repossess personal property, or to rescind or terminate a contract for the purchase of personal property, the court may appoint three disinterested parties to appraise the property.

"(b) EQUITY PAYMENT.—Based on the appraisal, and if undue hardship to the servicemember's dependents will not result, the court may order that the amount of the servicemember's equity in the property be paid to the servicemember, or the servicemember's dependents, as a condition of foreclosing the mortgage, repossessing the property, or rescinding or terminating the contract.

50 USC app. 535.

"SEC. 305. TERMINATION OF RESIDENTIAL OR MOTOR VEHICLE LEASES.

"(a) TERMINATION BY LESSEE.—The lessee on a lease described in subsection (b) may, at the lessee's option, terminate the lease at any time after—

"(1) the lessee's entry into military service; or

"(2) the date of the lessee's military orders described in paragraph (1)(B) or (2)(B) of subsection (b), as the case may be.

Applicability.

"(b) COVERED LEASES.—This section applies to the following leases:

"(1) LEASES OF PREMISES.—A lease of premises occupied, or intended to be occupied, by a servicemember or a servicemember's dependents for a residential, professional, business, agricultural, or similar purpose if—

"(A) the lease is executed by or on behalf of a person who thereafter and during the term of the lease enters military service; or

"(B) the servicemember, while in military service, executes the lease and thereafter receives military orders for a permanent change of station or to deploy with a military unit for a period of not less than 90 days.

"(2) LEASES OF MOTOR VEHICLES.—A lease of a motor vehicle used, or intended to be used, by a servicemember or a servicemember's dependents for personal or business transportation if—

"(A) the lease is executed by or on behalf of a person who thereafter and during the term of the lease enters military service under a call or order specifying a period

of not less than 180 days (or who enters military service under a call or order specifying a period of 180 days or less and who, without a break in service, receives orders extending the period of military service to a period of not less than 180 days); or

"(B) the servicemember, while in military service, executes the lease and thereafter receives military orders for a permanent change of station outside of the continental United States or to deploy with a military unit for a period of not less than 180 days.

"(c) MANNER OF TERMINATION.—

"(1) IN GENERAL.—Termination of a lease under subsection (a) is made—

"(A) by delivery by the lessee of written notice of such termination, and a copy of the servicemember's military orders, to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee); and

"(B) in the case of a lease of a motor vehicle, by return of the motor vehicle by the lessee to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee), not later than 15 days after the date of the delivery of written notice under subparagraph (A). Deadline.

"(2) DELIVERY OF NOTICE.—Delivery of notice under paragraph (1)(A) may be accomplished—

"(A) by hand delivery;

"(B) by private business carrier; or

"(C) by placing the written notice in an envelope with sufficient postage and with return receipt requested, and addressed as designated by the lessor (or the lessor's grantee) or to the lessor's agent (or the agent's grantee), and depositing the written notice in the United States mails.

"(d) EFFECTIVE DATE OF LEASE TERMINATION.—

"(1) LEASE OF PREMISES.—In the case of a lease described in subsection (b)(1) that provides for monthly payment of rent, termination of the lease under subsection (a) is effective 30 days after the first date on which the next rental payment is due and payable after the date on which the notice under subsection (c) is delivered. In the case of any other lease described in subsection (b)(1), termination of the lease under subsection (a) is effective on the last day of the month following the month in which the notice is delivered.

"(2) LEASE OF MOTOR VEHICLES.—In the case of a lease described in subsection (b)(2), termination of the lease under subsection (a) is effective on the day on which the requirements of subsection (c) are met for such termination.

"(e) ARREARAGES AND OTHER OBLIGATIONS AND LIABILITIES.—Rents or lease amounts unpaid for the period preceding the effective date of the lease termination shall be paid on a prorated basis. In the case of the lease of a motor vehicle, the lessor may not impose an early termination charge, but any taxes, summonses, and title and registration fees and any other obligation and liability of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear, use and mileage, that are due and unpaid at the time of termination of the lease shall be paid by the lessee.

Deadline.

"(f) RENT PAID IN ADVANCE.—Rents or lease amounts paid in advance for a period after the effective date of the termination of the lease shall be refunded to the lessee by the lessor (or the lessor's assignee or the assignee's agent) within 30 days of the effective date of the termination of the lease.

"(g) RELIEF TO LESSOR.—Upon application by the lessor to a court before the termination date provided in the written notice, relief granted by this section to a servicemember may be modified as justice and equity require.

"(h) PENALTIES.—

"(1) MISDEMEANOR.—Any person who knowingly seizes, holds, or detains the personal effects, security deposit, or other property of a servicemember or a servicemember's dependent who lawfully terminates a lease covered by this section, or who knowingly interferes with the removal of such property from premises covered by such lease, for the purpose of subjecting or attempting to subject any of such property to a claim for rent accruing subsequent to the date of termination of such lease, or attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES.—The remedy and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any award for consequential or punitive damages.

50 USC app. 536.

"SEC. 306. PROTECTION OF LIFE INSURANCE POLICY.

"(a) ASSIGNMENT OF POLICY PROTECTED.—If a life insurance policy on the life of a servicemember is assigned before military service to secure the payment of an obligation, the assignee of the policy (except the insurer in connection with a policy loan) may not exercise, during a period of military service of the servicemember or within one year thereafter, any right or option obtained under the assignment without a court order.

"(b) EXCEPTION.—The prohibition in subsection (a) shall not apply—

"(1) if the assignee has the written consent of the insured made during the period described in subsection (a);

"(2) when the premiums on the policy are due and unpaid; or

"(3) upon the death of the insured.

"(c) ORDER REFUSED BECAUSE OF MATERIAL AFFECT.—A court which receives an application for an order required under subsection (a) may refuse to grant such order if the court determines the ability of the servicemember to comply with the terms of the obligation is materially affected by military service.

"(d) TREATMENT OF GUARANTEED PREMIUMS.—For purposes of this subsection, premiums guaranteed under the provisions of title IV of this Act shall not be considered due and unpaid.

"(e) PENALTIES.—

"(1) MISDEMEANOR.—A person who knowingly takes an action contrary to this section, or attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES.—The remedy and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any consequential or punitive damages.

"SEC. 307. ENFORCEMENT OF STORAGE LIENS. 50 USC app. 537.

"(a) LIENS.—

"(1) LIMITATION ON FORECLOSURE OR ENFORCEMENT.—A person holding a lien on the property or effects of a servicemember may not, during any period of military service of the servicemember and for 90 days thereafter, foreclose or enforce any lien on such property or effects without a court order granted before foreclosure or enforcement.

"(2) LIEN DEFINED.—For the purposes of paragraph (1), the term 'lien' includes a lien for storage, repair, or cleaning of the property or effects of a servicemember or a lien on such property or effects for any other reason.

"(b) STAY OF PROCEEDINGS.—In a proceeding to foreclose or enforce a lien subject to this section, the court may on its own motion, and shall if requested by a servicemember whose ability to comply with the obligation resulting in the proceeding is materially affected by military service—

"(1) stay the proceeding for a period of time as justice and equity require; or

"(2) adjust the obligation to preserve the interests of all parties.

The provisions of this subsection do not affect the scope of section 303.

"(c) PENALTIES.—

"(1) MISDEMEANOR.—A person who knowingly takes an action contrary to this section, or attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

"(2) PRESERVATION OF OTHER REMEDIES.—The remedy and rights provided under this section are in addition to and do not preclude any remedy for wrongful conversion otherwise available under law to the person claiming relief under this section, including any consequential or punitive damages.

"SEC. 308. EXTENSION OF PROTECTIONS TO DEPENDENTS. 50 USC app. 538.

"Upon application to a court, a dependent of a servicemember is entitled to the protections of this title if the dependent's ability to comply with a lease, contract, bailment, or other obligation is materially affected by reason of the servicemember's military service.

"TITLE IV—LIFE INSURANCE

"SEC. 401. DEFINITIONS. 50 USC app. 541.

"For the purposes of this title:

"(1) POLICY.—The term 'policy' means any individual contract for whole, endowment, universal, or term life insurance (other than group term life insurance coverage), including any benefit in the nature of such insurance arising out of membership in any fraternal or beneficial association which—

"(A) provides that the insurer may not—

"(i) decrease the amount of coverage or require the payment of an additional amount as premiums if the insured engages in military service (except increases in premiums in individual term insurance based upon age); or

"(ii) limit or restrict coverage for any activity required by military service; and

"(B) is in force not less than 180 days before the date of the insured's entry into military service and at the time of application under this title.

"(2) PREMIUM.—The term 'premium' means the amount specified in an insurance policy to be paid to keep the policy in force.

"(3) INSURED.—The term 'insured' means a servicemember whose life is insured under a policy.

"(4) INSURER.—The term 'insurer' includes any firm, corporation, partnership, association, or business that is chartered or authorized to provide insurance and issue contracts or policies by the laws of a State or the United States.

50 USC app. 542.

"SEC. 402. INSURANCE RIGHTS AND PROTECTIONS.

"(a) RIGHTS AND PROTECTIONS.—The rights and protections under this title apply to the insured when—

"(1) the insured,

"(2) the insured's legal representative, or

"(3) the insured's beneficiary in the case of an insured who is outside a State,

applies in writing for protection under this title, unless the Secretary of Veterans Affairs determines that the insured's policy is not entitled to protection under this title.

"(b) NOTIFICATION AND APPLICATION.—The Secretary of Veterans Affairs shall notify the Secretary concerned of the procedures to be used to apply for the protections provided under this title. The applicant shall send the original application to the insurer and a copy to the Secretary of Veterans Affairs.

"(c) LIMITATION ON AMOUNT.—The total amount of life insurance coverage protection provided by this title for a servicemember may not exceed $250,000, or an amount equal to the Servicemember's Group Life Insurance maximum limit, whichever is greater, regardless of the number of policies submitted.

50 USC app. 543.

"SEC. 403. APPLICATION FOR INSURANCE PROTECTION.

"(a) APPLICATION PROCEDURE.—An application for protection under this title shall—

"(1) be in writing and signed by the insured, the insured's legal representative, or the insured's beneficiary, as the case may be;

"(2) identify the policy and the insurer; and

"(3) include an acknowledgement that the insured's rights under the policy are subject to and modified by the provisions of this title.

"(b) ADDITIONAL REQUIREMENTS.—The Secretary of Veterans Affairs may require additional information from the applicant, the insured and the insurer to determine if the policy is entitled to protection under this title.

Reports.
Regulations.

"(c) NOTICE TO THE SECRETARY BY THE INSURER.—Upon receipt of the application of the insured, the insurer shall furnish a report

concerning the policy to the Secretary of Veterans Affairs as required by regulations prescribed by the Secretary.

"(d) POLICY MODIFICATION.—Upon application for protection under this title, the insured and the insurer shall have constructively agreed to any policy modification necessary to give this title full force and effect.

"SEC. 404. POLICIES ENTITLED TO PROTECTION AND LAPSE OF POLICIES. 50 USC app. 544.

"(a) DETERMINATION.—The Secretary of Veterans Affairs shall determine whether a policy is entitled to protection under this title and shall notify the insured and the insurer of that determination.

"(b) LAPSE PROTECTION.—A policy that the Secretary determines is entitled to protection under this title shall not lapse or otherwise terminate or be forfeited for the nonpayment of a premium, or interest or indebtedness on a premium, after the date on which the application for protection is received by the Secretary.

"(c) TIME APPLICATION.—The protection provided by this title applies during the insured's period of military service and for a period of two years thereafter.

"SEC. 405. POLICY RESTRICTIONS. 50 USC app. 545.

"(a) DIVIDENDS.—While a policy is protected under this title, a dividend or other monetary benefit under a policy may not be paid to an insured or used to purchase dividend additions without the approval of the Secretary of Veterans Affairs. If such approval is not obtained, the dividends or benefits shall be added to the value of the policy to be used as a credit when final settlement is made with the insurer.

"(b) SPECIFIC RESTRICTIONS.—While a policy is protected under this title, cash value, loan value, withdrawal of dividend accumulation, unearned premiums, or other value of similar character may not be available to the insured without the approval of the Secretary. The right of the insured to change a beneficiary designation or select an optional settlement for a beneficiary shall not be affected by the provisions of this title.

"SEC. 406. DEDUCTION OF UNPAID PREMIUMS. 50 USC app. 546.

"(a) SETTLEMENT OF PROCEEDS.—If a policy matures as a result of a servicemember's death or otherwise during the period of protection of the policy under this title, the insurer in making settlement shall deduct from the insurance proceeds the amount of the unpaid premiums guaranteed under this title, together with interest due at the rate fixed in the policy for policy loans.

"(b) INTEREST RATE.—If the interest rate is not specifically fixed in the policy, the rate shall be the same as for policy loans in other policies issued by the insurer at the time the insured's policy was issued.

"(c) REPORTING REQUIREMENT.—The amount deducted under this section, if any, shall be reported by the insurer to the Secretary of Veterans Affairs.

"SEC. 407. PREMIUMS AND INTEREST GUARANTEED BY UNITED STATES. 50 USC app. 547.

"(a) GUARANTEE OF PREMIUMS AND INTEREST BY THE UNITED STATES.—

"(1) GUARANTEE.—Payment of premiums, and interest on premiums at the rate specified in section 406, which become due on a policy under the protection of this title is guaranteed by the United States. If the amount guaranteed is not paid to the insurer before the period of insurance protection under this title expires, the amount due shall be treated by the insurer as a policy loan on the policy.

"(2) POLICY TERMINATION.—If, at the expiration of insurance protection under this title, the cash surrender value of a policy is less than the amount due to pay premiums and interest on premiums on the policy, the policy shall terminate. Upon such termination, the United States shall pay the insurer the difference between the amount due and the cash surrender value.

"(b) RECOVERY FROM INSURED OF AMOUNTS PAID BY THE UNITED STATES.—

"(1) DEBT PAYABLE TO THE UNITED STATES.—The amount paid by the United States to an insurer under this title shall be a debt payable to the United States by the insured on whose policy payment was made.

"(2) COLLECTION.—Such amount may be collected by the United States, either as an offset from any amount due the insured by the United States or as otherwise authorized by law.

"(3) DEBT NOT DISCHARGEABLE IN BANKRUPTCY.—Such debt payable to the United States is not dischargeable in bankruptcy proceedings.

"(c) CREDITING OF AMOUNTS RECOVERED.—Any amounts received by the United States as repayment of debts incurred by an insured under this title shall be credited to the appropriation for the payment of claims under this title.

50 USC app. 548.

"SEC. 408. REGULATIONS.

"The Secretary of Veterans Affairs shall prescribe regulations for the implementation of this title.

50 USC app. 549.

"SEC. 409. REVIEW OF FINDINGS OF FACT AND CONCLUSIONS OF LAW.

"The findings of fact and conclusions of law made by the Secretary of Veterans Affairs in administering this title are subject to review on appeal to the Board of Veterans' Appeals pursuant to chapter 71 of title 38, United States Code, and to judicial review only as provided in chapter 72 of such title.

"TITLE V—TAXES AND PUBLIC LANDS

50 USC app. 561.

"SEC. 501. TAXES RESPECTING PERSONAL PROPERTY, MONEY, CREDITS, AND REAL PROPERTY.

"(a) APPLICATION.—This section applies in any case in which a tax or assessment, whether general or special (other than a tax on personal income), falls due and remains unpaid before or during a period of military service with respect to a servicemember's—

"(1) personal property (including motor vehicles); or

"(2) real property occupied for dwelling, professional, business, or agricultural purposes by a servicemember or the servicemember's dependents or employees—

"(A) before the servicemember's entry into military service; and

"(B) during the time the tax or assessment remains unpaid.

"(b) SALE OF PROPERTY.—

"(1) LIMITATION ON SALE OF PROPERTY TO ENFORCE TAX ASSESSMENT.—Property described in subsection (a) may not be sold to enforce the collection of such tax or assessment except by court order and upon the determination by the court that military service does not materially affect the servicemember's ability to pay the unpaid tax or assessment.

"(2) STAY OF COURT PROCEEDINGS.—A court may stay a proceeding to enforce the collection of such tax or assessment, or sale of such property, during a period of military service of the servicemember and for a period not more than 180 days after the termination of, or release of the servicemember from, military service.

"(c) REDEMPTION.—When property described in subsection (a) is sold or forfeited to enforce the collection of a tax or assessment, a servicemember shall have the right to redeem or commence an action to redeem the servicemember's property during the period of military service or within 180 days after termination of or release from military service. This subsection may not be construed to shorten any period provided by the law of a State (including any political subdivision of a State) for redemption.

"(d) INTEREST ON TAX OR ASSESSMENT.—Whenever a servicemember does not pay a tax or assessment on property described in subsection (a) when due, the amount of the tax or assessment due and unpaid shall bear interest until paid at the rate of 6 percent per year. An additional penalty or interest shall not be incurred by reason of nonpayment. A lien for such unpaid tax or assessment may include interest under this subsection.

"(e) JOINT OWNERSHIP APPLICATION.—This section applies to all forms of property described in subsection (a) owned individually by a servicemember or jointly by a servicemember and a dependent or dependents. Applicability.

"SEC. 502. RIGHTS IN PUBLIC LANDS. 50 USC app. 562.

"(a) RIGHTS NOT FORFEITED.—The rights of a servicemember to lands owned or controlled by the United States, and initiated or acquired by the servicemember under the laws of the United States (including the mining and mineral leasing laws) before military service, shall not be forfeited or prejudiced as a result of being absent from the land, or by failing to begin or complete any work or improvements to the land, during the period of military service.

"(b) TEMPORARY SUSPENSION OF PERMITS OR LICENSES.—If a permittee or licensee under the Act of June 28, 1934 (43 U.S.C. 315 et seq.), enters military service, the permittee or licensee may suspend the permit or license for the period of military service and for 180 days after termination of or release from military service.

"(c) REGULATIONS.—Regulations prescribed by the Secretary of the Interior shall provide for such suspension of permits and licenses and for the remission, reduction, or refund of grazing fees during the period of such suspension.

50 USC app. 563.

"SEC. 503. DESERT-LAND ENTRIES.

"(a) DESERT-LAND RIGHTS NOT FORFEITED.—A desert-land entry made or held under the desert-land laws before the entrance of the entryman or the entryman's successor in interest into military service shall not be subject to contest or cancellation—

"(1) for failure to expend any required amount per acre per year in improvements upon the claim;

"(2) for failure to effect the reclamation of the claim during the period the entryman or the entryman's successor in interest is in the military service, or for 180 days after termination of or release from military service; or

"(3) during any period of hospitalization or rehabilitation due to an injury or disability incurred in the line of duty.

The time within which the entryman or claimant is required to make such expenditures and effect reclamation of the land shall be exclusive of the time periods described in paragraphs (2) and (3).

"(b) SERVICE-RELATED DISABILITY.—If an entryman or claimant is honorably discharged and is unable to accomplish reclamation of, and payment for, desert land due to a disability incurred in the line of duty, the entryman or claimant may make proof without further reclamation or payments, under regulations prescribed by the Secretary of the Interior, and receive a patent for the land entered or claimed.

Deadline.

"(c) FILING REQUIREMENT.—In order to obtain the protection of this section, the entryman or claimant shall, within 180 days after entry into military service, cause to be filed in the land office of the district where the claim is situated a notice communicating the fact of military service and the desire to hold the claim under this section.

50 USC app. 564.

"SEC. 504. MINING CLAIMS.

"(a) REQUIREMENTS SUSPENDED.—The provisions of section 2324 of the Revised Statutes of the United States (30 U.S.C. 28) specified in subsection (b) shall not apply to a servicemember's claims or interests in claims, regularly located and recorded, during a period of military service and 180 days thereafter, or during any period of hospitalization or rehabilitation due to injuries or disabilities incurred in the line of duty.

"(b) REQUIREMENTS.—The provisions in section 2324 of the Revised Statutes that shall not apply under subsection (a) are those which require that on each mining claim located after May 10, 1872, and until a patent has been issued for such claim, not less than $100 worth of labor shall be performed or improvements made during each year.

"(c) PERIOD OF PROTECTION FROM FORFEITURE.—A mining claim or an interest in a claim owned by a servicemember that has been regularly located and recorded shall not be subject to forfeiture for nonperformance of annual assessments during the period of military service and for 180 days thereafter, or for any period of hospitalization or rehabilitation described in subsection (a).

Deadline.

"(d) FILING REQUIREMENT.—In order to obtain the protections of this section, the claimant of a mining location shall, before the end of the assessment year in which military service is begun or within 60 days after the end of such assessment year, cause to be filed in the office where the location notice or certificate

is recorded a notice communicating the fact of military service and the desire to hold the mining claim under this section.

"SEC. 505. MINERAL PERMITS AND LEASES. 50 USC app. 565.

"(a) SUSPENSION DURING MILITARY SERVICE.—A person holding a permit or lease on the public domain under the Federal mineral leasing laws who enters military service may suspend all operations under the permit or lease for the duration of military service and for 180 days thereafter. The term of the permit or lease shall not run during the period of suspension, nor shall any rental or royalties be charged against the permit or lease during the period of suspension.

"(b) NOTIFICATION.—In order to obtain the protection of this section, the permittee or lessee shall, within 180 days after entry into military service, notify the Secretary of the Interior by registered mail of the fact that military service has begun and of the desire to hold the claim under this section. Deadline.

"(c) CONTRACT MODIFICATION.—This section shall not be construed to supersede the terms of any contract for operation of a permit or lease.

"SEC. 506. PERFECTION OR DEFENSE OF RIGHTS. 50 USC app. 566.

"(a) RIGHT TO TAKE ACTION NOT AFFECTED.—This title shall not affect the right of a servicemember to take action during a period of military service that is authorized by law or regulations of the Department of the Interior, for the perfection, defense, or further assertion of rights initiated or acquired before entering military service.

"(b) AFFIDAVITS AND PROOFS.—

"(1) IN GENERAL.—A servicemember during a period of military service may make any affidavit or submit any proof required by law, practice, or regulation of the Department of the Interior in connection with the entry, perfection, defense, or further assertion of rights initiated or acquired before entering military service before an officer authorized to provide notary services under section 1044a of title 10, United States Code, or any superior commissioned officer.

"(2) LEGAL STATUS OF AFFIDAVITS.—Such affidavits shall be binding in law and subject to the same penalties as prescribed by section 1001 of title 18, United State Code.

"SEC. 507. DISTRIBUTION OF INFORMATION CONCERNING BENEFITS OF TITLE. 50 USC app. 567.

"(a) DISTRIBUTION OF INFORMATION BY SECRETARY CONCERNED.—The Secretary concerned shall issue to servicemembers information explaining the provisions of this title.

"(b) APPLICATION FORMS.—The Secretary concerned shall provide application forms to servicemembers requesting relief under this title.

"(c) INFORMATION FROM SECRETARY OF THE INTERIOR.—The Secretary of the Interior shall furnish to the Secretary concerned information explaining the provisions of this title (other than sections 501, 510, and 511) and related application forms.

"SEC. 508. LAND RIGHTS OF SERVICEMEMBERS. 50 USC app. 568.

"(a) NO AGE LIMITATIONS.—Any servicemember under the age of 21 in military service shall be entitled to the same rights under the laws relating to lands owned or controlled by the United States,

including mining and mineral leasing laws, as those servicemembers who are 21 years of age.

"(b) RESIDENCY REQUIREMENT.—Any requirement related to the establishment of a residence within a limited time shall be suspended as to entry by a servicemember in military service until 180 days after termination of or release from military service.

"(c) ENTRY APPLICATIONS.—Applications for entry may be verified before a person authorized to administer oaths under section 1044a of title 10, United States Code, or under the laws of the State where the land is situated.

50 USC app. 569.

"SEC. 509. REGULATIONS.

"The Secretary of the Interior may issue regulations necessary to carry out this title (other than sections 501, 510, and 511).

50 USC app. 570.

"SEC. 510. INCOME TAXES.

"(a) DEFERRAL OF TAX.—Upon notice to the Internal Revenue Service or the tax authority of a State or a political subdivision of a State, the collection of income tax on the income of a servicemember falling due before or during military service shall be deferred for a period not more than 180 days after termination of or release from military service, if a servicemember's ability to pay such income tax is materially affected by military service.

"(b) ACCRUAL OF INTEREST OR PENALTY.—No interest or penalty shall accrue for the period of deferment by reason of nonpayment on any amount of tax deferred under this section.

"(c) STATUTE OF LIMITATIONS.—The running of a statute of limitations against the collection of tax deferred under this section, by seizure or otherwise, shall be suspended for the period of military service of the servicemember and for an additional period of 270 days thereafter.

"(d) APPLICATION LIMITATION.—This section shall not apply to the tax imposed on employees by section 3101 of the Internal Revenue Code of 1986.

50 USC app. 571.

"SEC. 511. RESIDENCE FOR TAX PURPOSES.

"(a) RESIDENCE OR DOMICILE.—A servicemember shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the servicemember by reason of being absent or present in any tax jurisdiction of the United States solely in compliance with military orders.

"(b) MILITARY SERVICE COMPENSATION.—Compensation of a servicemember for military service shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the servicemember is not a resident or domiciliary of the jurisdiction in which the servicemember is serving in compliance with military orders.

"(c) PERSONAL PROPERTY.—

"(1) RELIEF FROM PERSONAL PROPERTY TAXES.—The personal property of a servicemember shall not be deemed to be located or present in, or to have a situs for taxation in, the tax jurisdiction in which the servicemember is serving in compliance with military orders.

Applicability.

"(2) EXCEPTION FOR PROPERTY WITHIN MEMBER'S DOMICILE OR RESIDENCE.—This subsection applies to personal property or its use within any tax jurisdiction other than the servicemember's domicile or residence.

"(3) EXCEPTION FOR PROPERTY USED IN TRADE OR BUSINESS.—This section does not prevent taxation by a tax jurisdiction with respect to personal property used in or arising from a trade or business, if it has jurisdiction.

"(4) RELATIONSHIP TO LAW OF STATE OF DOMICILE.—Eligibility for relief from personal property taxes under this subsection is not contingent on whether or not such taxes are paid to the State of domicile.

"(d) INCREASE OF TAX LIABILITY.—A tax jurisdiction may not use the military compensation of a nonresident servicemember to increase the tax liability imposed on other income earned by the nonresident servicemember or spouse subject to tax by the jurisdiction.

"(e) FEDERAL INDIAN RESERVATIONS.—An Indian servicemember whose legal residence or domicile is a Federal Indian reservation shall be taxed by the laws applicable to Federal Indian reservations and not the State where the reservation is located.

"(f) DEFINITIONS.—For purposes of this section:

"(1) PERSONAL PROPERTY.—The term 'personal property' means intangible and tangible property (including motor vehicles).

"(2) TAXATION.—The term 'taxation' includes licenses, fees, or excises imposed with respect to motor vehicles and their use, if the license, fee, or excise is paid by the servicemember in the servicemember's State of domicile or residence.

"(3) TAX JURISDICTION.—The term 'tax jurisdiction' means a State or a political subdivision of a State.

"TITLE VI—ADMINISTRATIVE REMEDIES

"SEC. 601. INAPPROPRIATE USE OF ACT. 50 USC app. 581.

"If a court determines, in any proceeding to enforce a civil right, that any interest, property, or contract has been transferred or acquired with the intent to delay the just enforcement of such right by taking advantage of this Act, the court shall enter such judgment or make such order as might lawfully be entered or made concerning such transfer or acquisition.

"SEC. 602. CERTIFICATES OF SERVICE; PERSONS REPORTED MISSING. 50 USC app. 582.

"(a) PRIMA FACIE EVIDENCE.—In any proceeding under this Act, a certificate signed by the Secretary concerned is prima facie evidence as to any of the following facts stated in the certificate:

"(1) That a person named is, is not, has been, or has not been in military service.

"(2) The time and the place the person entered military service.

"(3) The person's residence at the time the person entered military service.

"(4) The rank, branch, and unit of military service of the person upon entry.

"(5) The inclusive dates of the person's military service.

"(6) The monthly pay received by the person at the date of the certificate's issuance.

"(7) The time and place of the person's termination of or release from military service, or the person's death during military service.

"(b) CERTIFICATES.—The Secretary concerned shall furnish a certificate under subsection (a) upon receipt of an application for such a certificate. A certificate appearing to be signed by the Secretary concerned is prima facie evidence of its contents and of the signer's authority to issue it.

"(c) TREATMENT OF SERVICEMEMBERS IN MISSING STATUS.—A servicemember who has been reported missing is presumed to continue in service until accounted for. A requirement under this Act that begins or ends with the death of a servicemember does not begin or end until the servicemember's death is reported to, or determined by, the Secretary concerned or by a court of competent jurisdiction.

50 USC app. 583.

"SEC. 603. INTERLOCUTORY ORDERS.

"An interlocutory order issued by a court under this Act may be revoked, modified, or extended by that court upon its own motion or otherwise, upon notification to affected parties as required by the court.

"TITLE VII—FURTHER RELIEF

50 USC app. 591.

"SEC. 701. ANTICIPATORY RELIEF.

"(a) APPLICATION FOR RELIEF.—A servicemember may, during military service or within 180 days of termination of or release from military service, apply to a court for relief—

"(1) from any obligation or liability incurred by the servicemember before the servicemember's military service; or

"(2) from a tax or assessment falling due before or during the servicemember's military service.

"(b) TAX LIABILITY OR ASSESSMENT.—In a case covered by subsection (a), the court may, if the ability of the servicemember to comply with the terms of such obligation or liability or pay such tax or assessment has been materially affected by reason of military service, after appropriate notice and hearing, grant the following relief:

"(1) STAY OF ENFORCEMENT OF REAL ESTATE CONTRACTS.—

"(A) In the case of an obligation payable in installments under a contract for the purchase of real estate, or secured by a mortgage or other instrument in the nature of a mortgage upon real estate, the court may grant a stay of the enforcement of the obligation—

"(i) during the servicemember's period of military service; and

"(ii) from the date of termination of or release from military service, or from the date of application if made after termination of or release from military service.

"(B) Any stay under this paragraph shall be—

"(i) for a period equal to the remaining life of the installment contract or other instrument, plus a period of time equal to the period of military service of the servicemember, or any part of such combined period; and

"(ii) subject to payment of the balance of the principal and accumulated interest due and unpaid at the date of termination or release from the applicant's

military service or from the date of application in equal installments during the combined period at the rate of interest on the unpaid balance prescribed in the contract or other instrument evidencing the obligation, and subject to other terms as may be equitable.

"(2) STAY OF ENFORCEMENT OF OTHER CONTRACTS.—

"(A) In the case of any other obligation, liability, tax, or assessment, the court may grant a stay of enforcement—

"(i) during the servicemember's military service; and

"(ii) from the date of termination of or release from military service, or from the date of application if made after termination or release from military service.

"(B) Any stay under this paragraph shall be—

"(i) for a period of time equal to the period of the servicemember's military service or any part of such period; and

"(ii) subject to payment of the balance of principal and accumulated interest due and unpaid at the date of termination or release from military service, or the date of application, in equal periodic installments during this extended period at the rate of interest as may be prescribed for this obligation, liability, tax, or assessment, if paid when due, and subject to other terms as may be equitable.

"(c) AFFECT OF STAY ON FINE OR PENALTY.—When a court grants a stay under this section, a fine or penalty shall not accrue on the obligation, liability, tax, or assessment for the period of compliance with the terms and conditions of the stay.

"SEC. 702. POWER OF ATTORNEY. 50 USC app. 592.

"(a) AUTOMATIC EXTENSION.—A power of attorney of a servicemember shall be automatically extended for the period the servicemember is in a missing status (as defined in section 551(2) of title 37, United States Code) if the power of attorney—

"(1) was duly executed by the servicemember—

"(A) while in military service; or

"(B) before entry into military service but after the servicemember—

"(i) received a call or order to report for military service; or

"(ii) was notified by an official of the Department of Defense that the person could receive a call or order to report for military service;

"(2) designates the servicemember's spouse, parent, or other named relative as the servicemember's attorney in fact for certain, specified, or all purposes; and

"(3) expires by its terms after the servicemember entered a missing status.

"(b) LIMITATION ON POWER OF ATTORNEY EXTENSION.—A power of attorney executed by a servicemember may not be extended under subsection (a) if the document by its terms clearly indicates that the power granted expires on the date specified even though the servicemember, after the date of execution of the document, enters a missing status.

50 USC app. 593.

"SEC. 703. PROFESSIONAL LIABILITY PROTECTION.

"(a) APPLICABILITY.—This section applies to a servicemember who—

"(1) after July 31, 1990, is ordered to active duty (other than for training) pursuant to sections 688, 12301(a), 12301(g), 12302, 12304, 12306, or 12307 of title 10, United States Code, or who is ordered to active duty under section 12301(d) of such title during a period when members are on active duty pursuant to any of the preceding sections; and

"(2) immediately before receiving the order to active duty—

"(A) was engaged in the furnishing of health-care or legal services or other services determined by the Secretary of Defense to be professional services; and

"(B) had in effect a professional liability insurance policy that does not continue to cover claims filed with respect to the servicemember during the period of the servicemember's active duty unless the premiums are paid for such coverage for such period.

"(b) SUSPENSION OF COVERAGE.—

"(1) SUSPENSION.—Coverage of a servicemember referred to in subsection (a) by a professional liability insurance policy shall be suspended by the insurance carrier in accordance with this subsection upon receipt of a written request from the servicemember by the insurance carrier.

"(2) PREMIUMS FOR SUSPENDED CONTRACTS.—A professional liability insurance carrier—

"(A) may not require that premiums be paid by or on behalf of a servicemember for any professional liability insurance coverage suspended pursuant to paragraph (1); and

"(B) shall refund any amount paid for coverage for the period of such suspension or, upon the election of such servicemember, apply such amount for the payment of any premium becoming due upon the reinstatement of such coverage.

"(3) NONLIABILITY OF CARRIER DURING SUSPENSION.—A professional liability insurance carrier shall not be liable with respect to any claim that is based on professional conduct (including any failure to take any action in a professional capacity) of a servicemember that occurs during a period of suspension of that servicemember's professional liability insurance under this subsection.

"(4) CERTAIN CLAIMS CONSIDERED TO ARISE BEFORE SUSPENSION.—For the purposes of paragraph (3), a claim based upon the failure of a professional to make adequate provision for a patient, client, or other person to receive professional services or other assistance during the period of the professional's active duty service shall be considered to be based on an action or failure to take action before the beginning of the period of the suspension of professional liability insurance under this subsection, except in a case in which professional services were provided after the date of the beginning of such period.

"(c) REINSTATEMENT OF COVERAGE.—

"(1) REINSTATEMENT REQUIRED.—Professional liability insurance coverage suspended in the case of any servicemember pursuant to subsection (b) shall be reinstated by the insurance

carrier on the date on which that servicemember transmits to the insurance carrier a written request for reinstatement.

"(2) TIME AND PREMIUM FOR REINSTATEMENT.—The request of a servicemember for reinstatement shall be effective only if the servicemember transmits the request to the insurance carrier within 30 days after the date on which the servicemember is released from active duty. The insurance carrier shall notify the servicemember of the due date for payment of the premium of such insurance. Such premium shall be paid by the servicemember within 30 days after receipt of that notice. Deadline. Notification. Deadline.

"(3) PERIOD OF REINSTATED COVERAGE.—The period for which professional liability insurance coverage shall be reinstated for a servicemember under this subsection may not be less than the balance of the period for which coverage would have continued under the insurance policy if the coverage had not been suspended.

"(d) INCREASE IN PREMIUM.—

"(1) LIMITATION ON PREMIUM INCREASES.—An insurance carrier may not increase the amount of the premium charged for professional liability insurance coverage of any servicemember for the minimum period of the reinstatement of such coverage required under subsection (c)(3) to an amount greater than the amount chargeable for such coverage for such period before the suspension.

"(2) EXCEPTION.—Paragraph (1) does not prevent an increase in premium to the extent of any general increase in the premiums charged by that carrier for the same professional liability coverage for persons similarly covered by such insurance during the period of the suspension.

"(e) CONTINUATION OF COVERAGE OF UNAFFECTED PERSONS.—This section does not—

"(1) require a suspension of professional liability insurance protection for any person who is not a person referred to in subsection (a) and who is covered by the same professional liability insurance as a person referred to in such subsection; or

"(2) relieve any person of the obligation to pay premiums for the coverage not required to be suspended.

"(f) STAY OF CIVIL OR ADMINISTRATIVE ACTIONS.—

"(1) STAY OF ACTIONS.—A civil or administrative action for damages on the basis of the alleged professional negligence or other professional liability of a servicemember whose professional liability insurance coverage has been suspended under subsection (b) shall be stayed until the end of the period of the suspension if—

"(A) the action was commenced during the period of the suspension;

"(B) the action is based on an act or omission that occurred before the date on which the suspension became effective; and

"(C) the suspended professional liability insurance would, except for the suspension, on its face cover the alleged professional negligence or other professional liability negligence or other professional liability of the servicemember.

"(2) DATE OF COMMENCEMENT OF ACTION.—Whenever a civil or administrative action for damages is stayed under paragraph (1) in the case of any servicemember, the action shall have been deemed to have been filed on the date on which the professional liability insurance coverage of the servicemember is reinstated under subsection (c).

"(g) EFFECT OF SUSPENSION UPON LIMITATIONS PERIOD.—In the case of a civil or administrative action for which a stay could have been granted under subsection (f) by reason of the suspension of professional liability insurance coverage of the defendant under this section, the period of the suspension of the coverage shall be excluded from the computation of any statutory period of limitation on the commencement of such action.

"(h) DEATH DURING PERIOD OF SUSPENSION.—If a servicemember whose professional liability insurance coverage is suspended under subsection (b) dies during the period of the suspension—

"(1) the requirement for the grant or continuance of a stay in any civil or administrative action against such servicemember under subsection (f)(1) shall terminate on the date of the death of such servicemember; and

"(2) the carrier of the professional liability insurance so suspended shall be liable for any claim for damages for professional negligence or other professional liability of the deceased servicemember in the same manner and to the same extent as such carrier would be liable if the servicemember had died while covered by such insurance but before the claim was filed.

"(i) DEFINITIONS.—For purposes of this section:

"(1) ACTIVE DUTY.—The term 'active duty' has the meaning given that term in section 101(d)(1) of title 10, United States Code.

"(2) PROFESSION.—The term 'profession' includes occupation.

"(3) PROFESSIONAL.—The term 'professional' includes occupational.

50 USC app. 594.

"SEC. 704. HEALTH INSURANCE REINSTATEMENT.

"(a) REINSTATEMENT OF HEALTH INSURANCE.—A servicemember who, by reason of military service as defined in section 703(a)(1), is entitled to the rights and protections of this Act shall also be entitled upon termination or release from such service to reinstatement of any health insurance that—

"(1) was in effect on the day before such service commenced; and

"(2) was terminated effective on a date during the period of such service.

"(b) NO EXCLUSION OR WAITING PERIOD.—The reinstatement of health care insurance coverage for the health or physical condition of a servicemember described in subsection (a), or any other person who is covered by the insurance by reason of the coverage of the servicemember, shall not be subject to an exclusion or a waiting period, if—

"(1) the condition arose before or during the period of such service;

"(2) an exclusion or a waiting period would not have been imposed for the condition during the period of coverage; and

"(3) if the condition relates to the servicemember, the condition has not been determined by the Secretary of Veterans Affairs to be a disability incurred or aggravated in the line of duty (within the meaning of section 105 of title 38, United States Code).

"(c) EXCEPTIONS.—Subsection (a) does not apply to a servicemember entitled to participate in employer-offered insurance benefits pursuant to the provisions of chapter 43 of title 38, United States Code.

"(d) TIME FOR APPLYING FOR REINSTATEMENT.—An application under this section must be filed not later than 120 days after the date of the termination of or release from military service. Deadline.

"SEC. 705. GUARANTEE OF RESIDENCY FOR MILITARY PERSONNEL. 50 USC app. 595.

"For the purposes of voting for any Federal office (as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)) or a State or local office, a person who is absent from a State in compliance with military or naval orders shall not, solely by reason of that absence—

"(1) be deemed to have lost a residence or domicile in that State, without regard to whether or not the person intends to return to that State;

"(2) be deemed to have acquired a residence or domicile in any other State; or

"(3) be deemed to have become a resident in or a resident of any other State.

"SEC. 706. BUSINESS OR TRADE OBLIGATIONS. 50 USC app. 596.

"(a) AVAILABILITY OF NON-BUSINESS ASSETS TO SATISFY OBLIGATIONS.—If the trade or business (without regard to the form in which such trade or business is carried out) of a servicemember has an obligation or liability for which the servicemember is personally liable, the assets of the servicemember not held in connection with the trade or business may not be available for satisfaction of the obligation or liability during the servicemember's military service.

"(b) RELIEF TO OBLIGORS.—Upon application to a court by the holder of an obligation or liability covered by this section, relief granted by this section to a servicemember may be modified as justice and equity require.".

SEC. 2. CONFORMING AMENDMENTS.

(a) MILITARY SELECTIVE SERVICE ACT.—Section 14 of the Military Selective Service Act (50 U.S.C. App. 464) is repealed.

(b) TITLE 5, UNITED STATES CODE.—

(1) Section 5520a(k)(2)(A) of title 5, United States Code, is amended by striking "Soldiers' and Sailors' Civil Relief Act of 1940" and inserting "Servicemembers Civil Relief Act"; and

(2) Section 5569(e) of title 5, United States Code, is amended—

(A) in paragraph (1), by striking "provided by the Soldiers' and Sailors' Civil Relief Act of 1940" and all that follows through "of such Act" and inserting "provided by the Servicemembers Civil Relief Act, including the benefits provided by section 702 of such Act but excluding the benefits provided by sections 104, 105, and 106, title IV, and title V (other than sections 501 and 510) of such Act"; and

(B) in paragraph (2)(A), by striking "person in the military service" and inserting "servicemember".

(c) TITLE 10, UNITED STATES CODE.—Section 1408(b)(1)(D) of title 10, United States Code, is amended by striking "Soldiers' and Sailors' Civil Relief Act of 1940" and inserting "Servicemembers Civil Relief Act".

26 USC 7654.

(d) INTERNAL REVENUE CODE.—Section 7654(d)(1) of the Internal Revenue Code of 1986 is amended by striking "Soldiers' and Sailors' Civil Relief Act" and inserting "Servicemembers Civil Relief Act".

(e) PUBLIC HEALTH SERVICE ACT.—Section 212(e) of the Public Health Service Act (42 U.S.C. 213(e)) is amended by striking "Soldiers' and Sailors' Civil Relief Act of 1940" and inserting "Servicemembers Civil Relief Act".

(f) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Section 8001 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7701) is amended by striking "section 514 of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 574)" in the matter preceding paragraph (1) and inserting "section 511 of the Servicemembers Civil Relief Act".

(g) NOAA COMMISSIONED OFFICER CORPS ACT OF 2002.—Section 262(a)(2) of National Oceanic and Atmospheric Administration Commissioned Officer Corps Act of 2002 (33 U.S.C. 3072(a)(2)) is amended to read as follows:

"(2) The Servicemembers Civil Relief Act.".

Applicability.
50 USC app. 501 note.

SEC. 3. EFFECTIVE DATE.

The amendment made by section 1 shall apply to any case that is not final before the date of the enactment of this Act.

Approved December 19, 2003.

LEGISLATIVE HISTORY—H.R. 100 (S. 1136):

HOUSE REPORTS: No. 108–81 (Comm. on Veterans' Affairs).
SENATE REPORTS: No. 108–197 accompanying S. 1136 (Comm. on Veterans' Affairs).
CONGRESSIONAL RECORD, Vol. 149 (2003):
May 7, considered and passed House.
Nov. 21, considered and passed Senate, amended, in lieu of S. 1136.
Dec. 8, House concurred in Senate amendment.

○

Defendants shall obtain a proposal from the organization(s) on how the funds will be used consistent with the above-stated purpose, submit such proposal to the United States, and consult with and obtain the non-objection of the United States. The United States and Defendants may request modification of the proposal before approving the organization(s). The parties shall thereafter seek approval from the Court to distribute the remaining money in the Settlement Fund to the qualified organization(s). Defendants shall also require the charitable organization(s) to submit to Defendants and the United States a detailed report on how the funds have been utilized within one year of receipt of the funds, and every year thereafter until the funds are exhausted. If the charitable organization(s) fail to submit the required report(s), this shall not be a basis for determining that Defendants failed to comply with this Consent Order.

III. INJUNCTIVE RELIEF

31. Effective on the date of entry of this Consent Order, Defendants, their officers, employees, agents, representatives, assigns, successors-in-interest, and all persons and entities in active concert or participation with Defendants are hereby enjoined from charging interest[6] at a rate in excess of six percent (6%) per year on the then-outstanding balance (including any previously capitalized interest) of any Covered Loan(s) taken out while a borrower was not on military service,[7] where the borrower subsequently enters into military service and where the borrower is eligible for SCRA protection under Section 527 of the SCRA, 50 U.S.C. app. § 527.

32. Effective on the date of entry of this Consent Order, Defendants, their officers, employees, agents, representatives, assigns, successors-in-interest, and all persons and entities in active concert or participation with Defendants are hereby enjoined from misinforming any

[6] For purposes of this Consent Order, "[t]he term 'interest' includes service charges, renewal charges, fees, or any other charges (except bona fide insurance) with respect to an obligation or liability." 50 U.S.C. app. § 527(d)(1).

[7] For purposes of this Consent Order, the term "military service" is defined by Section 511(2) of the SCRA, 50 U.S.C. app. § 511(2).

From: CM_Validation
Sent: 9 Feb 2017 14:15:40 +0000
To: Bubel, Susan
Cc: Battle, Cynthia;Chialastri, Taneka;Foss, Ian;Jackson, Lateata;CM_Validation
Subject: Sue 1: Navient CR 2785 Validation artifacts
Attachments: CR 2785 NAV 1 of 8 - Artifacts phase 1, CR 2785 NAV 2 of 8 - Artifacts phase 1

They are 8 of them files…I will send them in batches of 2 each.

From: Bubel, Susan
Sent: Wednesday, February 08, 2017 10:09 AM
To: CM_Validation; Jackson, Lateata
Cc: Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: RE: Navient CR 2785 Validation artifacts

Do you folks have CR 2785 artifacts submitted back in June 2016? Please forward those to me.

Thanks,

Sue

From: Bubel, Susan
Sent: Tuesday, February 7, 2017 1:27 PM
To: CM_Validation; Jackson, Lateata
Cc: Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: Navient CR 2785 Validation artifacts

Good afternoon,

Navient was supposed to have delivered their CR2785 validation artifacts yesterday. I have not seen anything yet, did they happen to send to any of you folks? If so can you please forward ASAP? We have a review scheduled with them for Friday afternoon and I would like to have as much time as possible to review the artifacts before the review.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

Federal Student Aid
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From: (b)(4); (b)(6)
Sent: 1 Dec 2016 16:46:24 +0000
To: Jackson, Lateata;CM_Validation
Cc: (b)(4); (b)(6) @Navient.com;(b)(4); (b)(6) Shaun;Buendia, Mario
Subject: CR 2785 NAV 1 of 8 - Artifacts phase 1
Attachments: NAV - CR 2785 Artifact Validation Documents, RE: NAV - CR 2785 Artifact Validation Documents

Good morning La Teata.

The artifacts were sent on 7/12/16 to you, Sue, and Patrice, but not to the CM Validation mailbox – I apologize, this was an oversight on my part. There were eight different emails; attached is the first one that was sent with an explanation of what would subsequently be forwarded. I also attached a response from Sue that we received on 7/19.

I will re-forward all eight emails to you and copy the CM Validation mailbox as well.

Let me know if you need anything else.

NAVIENT

(b)(4); (b)(6)
Director, Change Management, Title IV Servicing
2001 Edmund Halley Drive, Reston, VA 20191
(b)(4); (b)(6) @Navient.com
Navient.com

From: Jackson, Lateata [mailto:Lateata.Jackson@ed.gov]
Sent: Wednesday, November 30, 2016 12:04 PM
To: (b)(4); (b)(6) @navient.com>
Subject: CR 2785 Phase 1 Artifacts

(b)(4); (b)(6)

Hi

Can you please resend to me and the CM_Validation mailbox your CR 2785 Phase 1 artifacts? I can't seem to find them in our archives.

Thank you

La Teata Jackson
Change Management Division
Federal Student Aid
U.S. Department of Education
desk - (202)377-3269



Nothing is so strong as gentleness and nothing is so gentle as real strength.
Saint Francis de Sales C.O.

This E-Mail has been scanned for viruses.

From: (b)(4); (b)(6)
Sent: 12 Jul 2016 10:51:46 +0000
To: Bubel, Susan;Jackson, Lateata
Cc: Washington, Patrice; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6)
(b)(4);
Subject: NAV - CR 2785 Artifact Validation Documents
Attachments: Navient 2785 artifact scenario 1.zip

Good Morning Sue,
Attached is document 1 of 8 of the Navient artifacts for CR 2785. The Navient assigned PW was used for all documents. (b)(5)

(b)(5)

We look forward to your feedback.
Thank you
(b)(4); (b)(6)

From: Bubel, Susan
Sent: 19 Jul 2016 12:54:11 +0000
To: (b)(4); (b)(6) ;Jackson, Lateata;Battle, Cynthia
Cc: Washington, Patrice;(b)(4); (b)(6) @Navient.com;(b)(4); (b)(6) ;(b)(4);
Subject: RE: NAV - CR 2785 Artifact Validation Documents

I apologize, for not getting back sooner. We do need a little more time to look at your artifacts. I will get back with any questions, but we will wait to do a complete walkthrough when you have all of the functionality for 2785 in. I believe you folks are scheduled for a February implementation so we would like to have a walkthrough in January of all of the functionality. (2 or more weeks prior to your go live date). Sorry I thought I had already responded about only needing a walkthrough for the final implementation.

Thanks,

Sue

Sue Bubel, PMP | Management and Program Analyst, Business Operations | Federal Student Aid
830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: (b)(4); (b)(6) [mailto:(b)(4); (b)(6) @navient.com]
Sent: Tuesday, July 19, 2016 8:48 AM
To: Bubel, Susan; Jackson, Lateata
Cc: Washington, Patrice; (b)(4); (b)(6) @Navient.com; (b)(4); (b)(6)
Subject: RE: NAV - CR 2785 Artifact Validation Documents
Importance: High

Good Morning Sue,

As we did not hear back on the date of the 20th for the live walk through, we have not scheduled a meeting. Since that is tomorrow and we need to coordinate teams and efforts, I am going to suggest that tomorrow is no longer a viable option for our live review. I'm assuming you also need additional time to review our artifacts.

Please let us know at your earliest convenience what your next available date is for the review; given our goal of having the agenda at least a few days ahead of time in order to coordinate teams and testing environments.

Please do not hesitate to call if you have any questions.

Thank you
(b)(4); (b)(6) PMP
Navient

Project Manager – IT
(b)(6)

From: (b)(4); (b)(6)
Sent: Tuesday, July 12, 2016 6:52 AM
To: Bubel, Susan (Susan.Bubel@ed.gov) <Susan.Bubel@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: 'Washington, Patrice' <Patrice.Washington@ed.gov>; (b)(4); (b)(6) @navient.com>; (b)(4); (b)(6) @navient.com> (b)(4); (b)(6) @navient.com>
Subject: NAV - CR 2785 Artifact Validation Documents

Good Morning Sue,

Attached is document 1 of 8 of the Navient artifacts for CR 2785. The Navient assigned PW was used for all documents. (b)(5)

(b)(5)

(b)(5)

We look forward to your feedback.

Thank you
(b)(4); (b)(6)

This E-Mail has been scanned for viruses.

From: (b)(4); (b)(6)
Sent: 1 Dec 2016 16:52:36 +0000
To: Jackson, Lateata;CM_Validation
Cc: (b)(4); (b)(6) @Navient.com;Buendia, Mario
Subject: CR 2785 NAV 2 of 8 - Artifacts phase 1
Attachments: Navient 2785 artifacts Scenario 4 and 5.zip

From (b)(4); (b)(6)
Sent: Tuesday, July 12, 2016 6:53 AM
To: Bubel, Susan (Susan.Bubel@ed.gov) <Susan.Bubel@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: 'Washington, Patrice' <Patrice.Washington@ed.gov>
Subject: NAV - CR 2785 Artifact Documents: Scenarios 4 & 5

Navient assigned PW used

From: CM_Validation
Sent: 9 Feb 2017 14:16:59 +0000
To: Bubel, Susan
Cc: Battle, Cynthia;Chialastri, Taneka;Foss, Ian;CM_Validation;Jackson, Lateata
Subject: Sue 2: Navient CR 2785 Validation artifacts
Attachments: CR 2785 NAV 3 of 8 - Artifacts phase 1, CR 2785 NAV 4 of 8 - Artifacts phase 1

Set 2

From: Bubel, Susan
Sent: Wednesday, February 08, 2017 10:09 AM
To: CM_Validation; Jackson, Lateata
Cc: Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: RE: Navient CR 2785 Validation artifacts

Do you folks have CR 2785 artifacts submitted back in June 2016? Please forward those to me.

Thanks,

Sue

From: Bubel, Susan
Sent: Tuesday, February 7, 2017 1:27 PM
To: CM_Validation; Jackson, Lateata
Cc: Battle, Cynthia; Chialastri, Taneka; Foss, Ian
Subject: Navient CR 2785 Validation artifacts

Good afternoon,

Navient was supposed to have delivered their CR2785 validation artifacts yesterday. I have not seen anything yet, did they happen to send to any of you folks? If so can you please forward ASAP? We have a review scheduled with them for Friday afternoon and I would like to have as much time as possible to review the artifacts before the review.

Thanks,

Sue

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830 First Street NE, Washington, DC 20202
P: (202) 377-4389 | susan.bubel@ed.gov

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From: (b)(4); (b)(6)
Sent: 1 Dec 2016 16:54:03 +0000
To: Jackson, Lateata;CM_Validation
Cc: Samuels, Shaun;Buendia, Mario;(b)(4); (b)(6) Navient.com
Subject: CR 2785 NAV 3 of 8 - Artifacts phase 1
Attachments: Navient 2785 artifact scenario 6 and 10.zip

From (b)(4); (b)(6)
Sent: Tuesday, July 12, 2016 6:53 AM
To: Bubel, Susan (Susan.Bubel@ed.gov) <Susan.Bubel@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: 'Washington, Patrice' <Patrice.Washington@ed.gov>
Subject: NAV - CR 2785 Artifact Validation - Scenario 6 & 10

From: (b)(4); (b)(6)
Sent: 1 Dec 2016 16:56:47 +0000
To: Jackson, Lateata;CM_Validation
Cc: Buendia, Mario;Samuels, Shaun;(b)(4); (b)(6)@Navient.com;(b)(4); (b)(6)
Subject: CR 2785 NAV 4 of 8 - Artifacts phase 1
Attachments: Navient 2785 artifact Scenario 7.zip

Navient-assigned password will open the docs.

From: (b)(4); (b)(6)
Sent: Tuesday, July 12, 2016 6:54 AM
To: Bubel, Susan (Susan.Bubel@ed.gov) <Susan.Bubel@ed.gov>; Jackson, Lateata <Lateata.Jackson@ed.gov>
Cc: 'Washington, Patrice' <Patrice.Washington@ed.gov>
Subject: NAV - CR 2785 Artifact Validation - Scenario 7

From: messenger@webex.com
Sent: 23 Jan 2017 18:26:45 +0000
To: Foss, Ian
Subject: [Suspect Bulk Mail] Invitation to Web seminar: CR 2785 Phase 2 Walk Through - Part 2
Attachments: CR 2785 Phase 2 Walk Through - Part 2.ics
Importance: Normal

Hello Ian Foss,

FedLoan Servicing invites you to attend a Web seminar using WebEx.

Topic: CR 2785 Phase 2 Walk Through - Part 2
Host: FedLoan Servicing
Date and Time:
Thursday, January 26, 2017 9:00 am, Eastern Standard Time (New York, GMT-05:00)
Event number: 661 791 102
Event password: pheaa

To join the online event
---
1. Click here to join the online event.
Or copy and paste the following link to a browser:
(b)(6)
2. Click "Join Now".

To join the audio conference only

Call-in toll number (US/Canada): (b)(6)
Access code: (b)(6)

For assistance

You can contact FedLoan Servicing at:
fedloanschoolsupport@myfedloan.org

The playback of UCF (Universal Communications Format) rich media files requires appropriate players. To view this type of rich media files in the meeting, please check whether you have the players installed on your computer by going to
https://fedloanservicing.webex.com/fedloanservicing/onstage/systemdiagnosis.php

https://www.webex.com

IMPORTANT NOTICE: This WebEx service includes a feature that allows audio and any documents and

other materials exchanged or viewed during the session to be recorded. By joining this session, you automatically consent to such recordings. If you do not consent to the recording, discuss your concerns with the meeting host prior to the start of the recording or do not join the session. Please note that any such recordings may be subject to discovery in the event of litigation.



From: messenger@webex.com
Sent: 25 Jan 2017 01:50:03 +0000
To: Foss, Ian
Subject: [Suspect Bulk Mail] Invitation to Web seminar: CR 2785 Phase 2 Walk Through - Part 2
Attachments: CR 2785 Phase 2 Walk Through - Part 2.ics
Importance: Normal

Hello Ian Foss,

FedLoan Servicing invites you to attend a Web seminar using WebEx.

Topic: CR 2785 Phase 2 Walk Through - Part 2
Host: FedLoan Servicing
Date and Time:
Thursday, January 26, 2017 9:00 am, Eastern Standard Time (New York, GMT-05:00)
Event number: 661 791 102
Event password: pheaa

To join the online event
---
1. Click here to join the online event.
Or copy and paste the following link to a browser:
(b)(6)
2. Click "Join Now".

To join the audio conference only

Call-in toll number (US/Canada): (b)(6)
Access code: (b)(6)

For assistance

You can contact FedLoan Servicing at:
fedloanschoolsupport@myfedloan.org

The playback of UCF (Universal Communications Format) rich media files requires appropriate players. To view this type of rich media files in the meeting, please check whether you have the players installed on your computer by going to
https://fedloanservicing.webex.com/fedloanservicing/onstage/systemdiagnosis.php

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other materials exchanged or viewed during the session to be recorded. By joining this session, you automatically consent to such recordings. If you do not consent to the recording, discuss your concerns with the meeting host prior to the start of the recording or do not join the session. Please note that any such recordings may be subject to discovery in the event of litigation.



From: OSLA OSLA
Sent: 2 Feb 2017 18:18:22 +0000
To: Foss, Ian
Subject: [Suspect Bulk Mail] WebEx meeting invitation: FSA CR2785
Attachments: WebEx_Meeting.ics
Importance: Normal

Hello,

OSLA OSLA invites you to join this WebEx meeting.

FSA CR2785
Thursday, June 1, 2017
12:00 pm | Central Daylight Time (Chicago, GMT-05:00) | 1 hr
Meeting number (access code): (b)(6)
Meeting password: (b)(6)

Add to Calendar

When it's time, join the meeting.

Join by phone
1-877-668-4493 Call-in toll-free number (US/Canada)
1-650-479-3208 Call-in toll number (US/Canada)
Global call-in numbers | Toll-free calling restrictions

Can't join the meeting?

IMPORTANT NOTICE: Please note that this WebEx service allows audio and other information sent during the session to be recorded, which may be discoverable in a legal matter. By joining this session, you automatically consent to such recordings. If you do not consent to being recorded, discuss your concerns with the host or do not join the session.